THE BANKING SWINDLE

A Historical Perspective: The Banking Monopoly

Posted by Stack Jones in The History Of Banking Fraud on 02/20/2014

I. Introduction: The Federal Reserve Act Of 1913.

In 1913, the U.S. Congress passed a bill called the Federal Reserve Act of 1913. This bill allowed an independent group to privatize, and take control of America's monetary system. The Federal Reserve Bank's name was chosen to deceive the American people into believing that it is a branch of the U.S. government. It isn't. This privately held monopoly gives great power to a handful of international bankers, non-Americans, to issue America's money, to set interest rates, to finance endless wars, and to enslave the masses. This debt based monetary system is what has been destroying the American economy, and bringing about depressions for generations. It needs to come to an end. By any means necessary.

The privately held central bank deceptively known as the Federal Reserve.

Facts about the Federal Reserve.

1. The Federal Reserve is a privately owned for profit corporation.
2. The Federal Reserve has no reserves.
3. The name was created prior to the Federal Reserve Act being passed in 1913. This was done to make Americans believe the U.S. banking system operated in the public interest. The truth is the Federal Reserve is a private bank owned by private shareholders, and runs purely for private profits, and thereby creating massive debt to the American people.
4. This privately held organization pays no taxes on the trillions of dollars it makes.

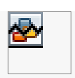
The Federal Reserve was chartered by an act of deceit, through an act of congress when most had gone home for Christmas holiday on December 23rd, 1913. The

Federal Reserve Act of 1913, had passed the house, but it was having difficulty getting through the senate.

No recess had been called, most senators had gone home, yet three senators passed the act with a unanimous voice vote. There was no objection. If there had been one person present in the absence of a quorum, the bill would not have been passed.

In 1923, Representative Charles A. Lindbergh, a Republican from Minnesota, and father of the famous aviator Lucky Lindberg stated, “The financial system has been turned over to the Federal Reserve Board. That board administers the finance system by authority of a purely profiteering group. The system is private, conducted for the sole purpose of obtaining the greatest possible profits from the use of other people’s money.”

Former chairman of the House Banking, and Currency Committee, during the great depression era, Louis T. McFadden in 1932 stated, “We have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board. This evil institution has impoverished the people of the United States, and has practically bankrupted our Government. It has done this through the corrupt practices of the moneyed vultures who control it.”



Rep. Louis T. McFadden (1876-1936).

Rep. McFadden said, “When the Federal Reserve Act was passed, the people of these United States did not perceive that a world banking system was being set up here. A super-state controlled by international bankers, and industrialists acting together to enslave the world. Every effort has been made by the Fed to conceal its powers, but the truth is it has usurped the government.” After McFadden lost his congressional seat in 1934, he remained in the public eye as a vigorous opponent of the financial system, until his sudden death on October 3rd, 1936. There were two previous attempts on Louis McFadden’s life. Two bullets were fired at him on one occasion, and later he was poisoned at a banquet. Evidently, the third time the assassins succeeded, and the most articulate critic of the Federal Reserve, and the financiers’ control of the nation would finally be silenced.

Senator Barry Goldwater, was a frequent critic of the Federal Reserve, “Most Americans have no real understanding of the operation of the international moneylenders. The accounts of the Federal Reserve System have never been audited. It operates outside the control of Congress and manipulates the credit of the United States.”

Thomas Jefferson, “I sincerely believe that banking institutions are more dangerous to our liberties than standing armies. The issuing power should be taken from the banks, and restored to the people to whom it properly belongs.”

James Madison, the main author of the U.S. Constitution, “History records that the money changers have used every form of abuse, intrigue, deceit, and violent means possible to maintain their control over governments by controlling money and its issuance.”

The Federal Reserve is now the most powerful privately owned central bank in the world. However, it was not the first.

II. The Money Changers.

Two thousand years ago, Jesus threw the money changers out of the temple of Jerusalem for corrupting Judaism. It was the only time Jesus ever used force during his entire ministry.

Jesus attacking money changers at the temple of Jerusalem.

When Jews went to the temple to pay their temple tax, they could only pay it with a special coin, the half shekel of the sanctuary, which is a half ounce of pure silver. It was the only coin that was pure silver, and didn’t have the image of the pagan emperor on it. In Judaism, the half shekel was the only coin acceptable to “god.”

The coins were not plentiful, therefore the money changers cornered the market on the coins, and raised the price, and just like any other commodity, they changed the price to whatever the market would bare. The money changers were making huge profits because they held a monopoly on the money. The Jews had to pay whatever

they demanded. To Jesus this was an abomination that totally violated the sanctity of gods house.

Half-Shekel used to monopolize the payment of temple taxes.

The money changing scam did not originate in Jesus' time. Two hundred years before Christ, Rome was having trouble with money changers. Two early Roman emperors tried to diminish the power of the money changers by reforming usury laws, and limiting land ownership to 500 acres. Both emperors were assassinated. In 48 B.C., Julius Caesar took back the power to coin money from the money changers, and minted coins for the benefit of all. With this new, and plentiful supply of money, Caesar built great public works projects. By making money plentiful Caesar won the loyalty, and admiration of the common man, but the money changers hated him. Economic experts believe this was an important factor in Caesar's assassination. Upon the death of Caesar came the demise of plentiful money in Rome. Taxes increased, and so did political corruption. Just as in America today, usury, and debased coins became the rule.

Eventually the Roman money supply was reduced by 90%, as a result the common people lost their land, and their homes, just as it has happened in the U.S. With the demise of common money, the masses lost confidence in their government, and refused to support it. Rome then plunged into the dark ages. Since the U.S. has followed this same corrupt political, and money system, most Americans themselves have lost their money, and their property. Just as in Rome, when Rome met its demise, the U.S. government has refused to take action, and do away with the privatization, and monopoly of the U.S. money system. Rome as America will follow, fell from its greatness.

III. The Goldsmiths.

One thousand years after the death of Christ, money changers, those that lend money for excessive fees, and those that manipulate the quantity of money, were active in Medieval England. They were so active that they could orchestrate, and

manipulate the entire English economy. These were not bankers per se, these were goldsmiths the first bankers because they kept other people’s gold for safe keeping in their private vaults. The first paper money was merely a receipt of money, gold, and silver coin that was left with the goldsmith to store in those vaults. Paper money became the norm because it was more convenient than carrying around heavy gold, and silver coin. The goldsmiths eventually noticed that only a small fraction of people ever returned to demand their gold, at any one time. Goldsmiths then started cheating on the system, and discovered they could print more money than they had in actual gold. The goldsmiths would then loan out that extra money, and collect interest on it, and not pay any interest to depositors. This was the birth of Fractional Reserve Banking, which is loaning out many times more money than there are assets on deposit.

Example: If a goldsmith had 1000 in deposits, they would draw up 10,000 in paper money, and lend out 10 times more than they actually had in deposits. Goldsmiths gradually began to accumulate more wealth, and then used this criminal enterprise to accumulate more, and more gold.

Today the practice of loaning out more money than there is gold in deposit, is known as Fractional Reserve Banking. Every bank in the U.S. is allowed to loan out at least ten times more money than they actually have. That is how they get rich, charging interest.

Example: A bank gives a loan of 8% interest. There actual income is 80%.

In the middle ages Cannon Law of the Catholic Church forbade charging interest on loans. This concept followed the teachings of Aristotle, and Saint Thomas Aquinas. They taught the purpose of money was to serve the members of society, and to facilitate goods needed to lead a virtuous life. Interest was considered a hinderous, and unnecessary burden on the use of money. Interest was contrary to reason, and justice.

Europe followed the Cannon Laws of the Church, forbidding the charging of interest, and made it a crime called usury, and passed legislation known as Usury Laws. However, as commerce, and opportunity for investment arose in the late middle ages, it came to be recognized that lenders had risk in lending, and in lost

opportunity for investment. Some charges began to be allowed, but charging interest still remained a crime. All moralist condemned fraud, oppression of the poor, and injustice.

Clearly, fractional lending is rooted in fraud, results in wide-spread poverty, and reduces the value of everyone that has honest money.

Ancient goldsmiths discovered that extra profits could be made by growing the economy between easy money, and tight money. When they made money easy to borrow, then the amount of money in circulation expanded, and people took out more loans to expand their businesses. Then the money changers would tighten the money supply, and make more money difficult to get. Goldsmiths realized that certain people could not repay their loans, and could not take out new loans to repay the old ones, as a result they would have to go bankrupt, and sell their property to the goldsmiths for pennies on the dollar.

The same criminal enterprise of usury lending, tightening the money supply, default on loans and property confiscation is still happening, only now it is called the business cycle.

IV. King Henry I Of England: The Tally Sticks.

King Henry I of England, father of the Tally Sticks.

Around 1100 AD King Henry 1st resolved to take the power of money away from the lenders. He invented one of the most unusual money systems in history. It was called the Tally Stick System. This system lasted until 1826. The Tally System was adopted to avoid the monetary manipulation of the goldsmiths. Tally Sticks were merely sticks of wood with notches cut on one edge of the stick to indicate denominations. Then the stick was split lengthwise so that both pieces still had a record of the notches.

The king kept one half to protect against counterfeiting. The other half would be spent into the economy, and circulate as money. Under this system money could not be manipulated, and it could not be stolen. No other form of money had worked as

well, and for so long as Tally Sticks. The British Empire, which was the most powerful nation in the world, was built on the Tally Stick System.

Tally sticks were used to keep bankers from seizing control of the monetary system of England.

The Bank of England was formed in 1694, and attacked the Tally Stick System because it was money that was outside the power of the money changers, just as King Henry had wanted it to be.

The Tally Stick succeeded despite the fact that the banks introduced the coin system as competition.

In the 1500s, King Henry 8th relaxed the usury laws, the money changers immediately made their metal coins plentiful for decades. But, when Queen Mary tightened the money laws on usury, the money changers renewed the hoarding of gold, and silver coins, causing the economy to plummet. When Queen Elizabeth the first took the throne she was determined to regain control of the economy. Her solution was to introduce gold, and silver coins from the public treasury, and take away control of the money supply from the money changers.

Financed by the money changers, Oliver Cromwell overthrew King Charles, purged the Parliament, and put the King to death. The money changers were allowed to immediately consolidate their financial power. The result was, for the next 50 years, the money changers plunged Great Britain into a series of costly wars. They took over a square mile of property in the center of London, known as the city of London. This area is still known as one of the three prominent financial centers of the world.

Conflicts with the Stewart King led the money changers of Britain to combine with the money changers of the Netherlands, and finance the invasion of William of Orange, and overthrow the Stewarts in 1688, and took the English throne.

V. The Bank Of England.

The Bank of England was established in 1694.

By the end of the 1600s, England was in financial ruin. The continuous wars with France and Holland had exhausted the nation. Frantic government officials met with the money changers and begged for the money necessary to pursue their political purposes. The price was a government sanctioned, privately owned bank, which could issue money created out of nothing.

The Bank of England would be the first privately owned central bank. It was deceptively called the Bank of England to make it appear to the general population that it was part of the government. Like any other private corporation, the bank sold shares to get started. The investors names were never revealed. Each investor was to put up one and a quarter million British pounds in gold coin to purchase their shares in the bank. However, only 750 thousand pounds was ever received. Despite that, the bank was chartered in 1694 and started loaning out several times the money it was supposed to have on reserve, all at interest. The new bank would lend politicians as much money as they needed as long as they secured the debt through direct taxation of the British people. As a result, the formation of the Bank of England became a form of legal counterfeiting of the national currency for private gain.

Unfortunately, today nearly ever nation has a privately owned central bank. Using the Bank of England as the basic model. This form of banking takes over an entire nations economy and becomes a plutocracy ruled by the rich.

Nations do need central banks, however they do not need them to be privately controlled.

The central bank scam is in reality a hidden tax where nations sell bonds to the central banks to pay for things politicians don’t have the political will to raise taxes to pay for. But, the bonds are created by the central banks out of nothing. More money in circulation makes the money already in circulation worth less. The government gets as much money as it needs and the people pay for it with inflation.

VI. The Rothchilds: Fraud on the Market.

The Red Shield of the Rothschilds.

Fifty years after the Bank of England opened its doors, a goldsmith named Anseim Moses Bauer, opened a coin shop in Frankfurt Germany. Over the door was a sign depicting a Roman eagle on a red shield. The shop became known as the Red Shield Firm. in the German language this meant Rothschild. When Amshel Mayor Bauer, Bauer's son inherited the business he changed the family name to Rothschild. Amshel learned that loaning money to governments and kings was more profitable than loaning to private individual. Not only were the loans bigger, but they were secured by the nations taxes. Amshel had four sons and trained them all in the skill of money creation and sent them out to Europe to open family owned banks. The first son, Amshel Mayer stayed in Frankfurt to manage the hometown bank. The second son Solomon was sent to Vienna. The third son Nathan was sent to London, and at age 21, in 1798. The fourth son Karl went to Naples, and the fifth son went to Paris.

The Rothschild's and the Schiff's shared a house and both families would play a major role in European history and in the U.S.

When Napoleon chased Prince William of Hess Cassel into exile, he sent 500,000 pounds to Nathan Rothschild with instructions for Nathan to buy consoles, also known as British government bonds. But, Nathan used the money for his own purposes, investing in war-time opportunities. When William returned after the Battle of Waterloo, he summoned Rothschild and demanded his money back. Rothschild paid the money back with interest, but kept all the profits made using Williams money.

By the mid 1800s the Rothschild's dominated European banking and were the wealthiest family on earth. The Rothschild's financed Cecil Rhodes making it possible for him to have a monopoly over the diamond and gold fields of south Africa. In the U.S. they financed the Harriman's, and the Vanderbilt's in railroad, and the press, and Carnegie in the steel industry among many others.

During WWI, J.P. Morgan was thought to be the richest man in the U.S., but after his death is was discovered that he was only a lieutenant of the Rothschild's. Once Morgan's will was made public, it was discovered that he owned only 19% of J.P. Morgan companies. By 1850 James Rothschild the heir of the French Rothschild

family was said to be worth 600 million French Franks. 150 million more than all the other banks in Europe combined.

J.P. Morgan (1837-1913).

VII. The American Revolution.

The American Revolution (1775-1783).

By the mid 1700s Britain had reached its height of power around the world. But, Britain had fought four costly wars since the creation of its privately owned central bank the Bank of England, which was lending money at high interests to finance war related debts. The British parliament was borrowing heavily from the bank. By the mid 1700s the government debt was 140 million pounds, a staggering number at that time. Consequently, the British government embarked on a new program of trying to raise revenue on the American colonies in order to pay the interest due to the bank. But, In the U.S., the scourge of a privately owned central bank had not yet hit the colonies.

In the U.S. there was a severe shortage of precious coins to pay for goods, so the early colonists experimented with printing their own paper money. Benjamin Franklin was a supporter of the colonies printing their own money. In 1757 Franklin was sent to London and stayed there for seventeen years until the start of the American Revolution. During this period the colonies began to distribute their own money known as Colonial Scrip. The endeavor was successful and provided a reliable means of exchange and helped to provide a feeling of unity between the colonies. The paper money was debt free and printed in the public interest and not backed by gold or silver coin. It was a total fiat currency.

When officials in England asked Franklin how he could account for the new-found prosperity of the colonies. Franklin replied, “In the colonies we issue our own money. It is called Colonial Scrip. We issue it in proper proportion to the demands of trade and industry to make the products pass easily from the producers to the consumers.

In this manner, creating for ourselves our own paper money, we control its purchasing power, and we have no interest to pay to no one."

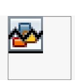
American Money. Colonial scrip issued November 9th 1775.

This was common sense to Franklin but the impact it had on the Bank of England was profound. Parliament immediately passed the currency act of 1774. This prohibited colonial officials from issuing their own money and ordered them to pay all future taxes in gold or silver coins. This forced the colonies on a gold and silver standard. Franklin wrote in his autobiography, "In one year, the conditions were so reversed that the era of prosperity ended, and a depression set in, to such an extent that the streets of the Colonies were filled with unemployed." Franklin stated this was the real cause of the American revolution. Franklin wrote, "The colonies would gladly have borne the little tax on tea and other matters had it not been that England took away from the colonies their money which created unemployment and dissatisfaction. The inability of the colonists to get power to issue their own money permanently out of the hands of George III and the international bankers was the PRIME reason for the Revolutionary War."

By the time the first shots were fired on April 19th, 1775 the colonies were drained of gold and silver coins through British taxation. As a result the constitutional government began to print its own money to finance the war. At the start of the war the U.S. money supply was 12 million dollars. By the end of the war it was nearly 500 million. As a result the currency was virtually worthless. Shoes sold for 5000 dollars a pair. Colonial Scrip had worked because just enough was printed to facilitate trade. George Washington lamented, "A wagon load of money will scarcely purchase a wagon load of provisions."

Today those that support a gold backed currency point to this period of the revolution to demonstrate the pitfalls of a fiat currency, but the same currency had worked so well during times of peace that the Bank of England had Parliament outlaw it.

VIII. The Bank of North America.



The Bank of North America chartered December 31st, 1781.

Towards the end of the revolution the Continental Congress met at Independence Hall in Philadelphia to find a way to raise desperately needed money. In 1771, they allowed Robert Morris, their financial superintendent to open a privately owned central bank. Morris was a wealthy man who had grown richer during the war by trading in war materials.

The new bank, the Bank of North America was modeled after the Bank of England. It was allowed to practice fractional reserve banking. This means it could lend money the bank didn’t have and also charge interest on it.

Incidentally, if you or I were to do that we’d be charged with fraud, which is a felony.

The banks private charter called for investors to put up an initial 400,000 dollars. However, Morris was unable to raise the money, so he used his political influence to have gold deposited in the bank, which had been loaned to America by France. Morris then loaned the 400,000 to himself and his friends and to reinvest in shares of the bank. This private bank was then given a monopoly over the American currency.

Soon the dangers became clear, as the value of the American currency continued to plummet. As a result, in 1775 the banks charter was not renewed. The leader of the effort to kill the bank was William Findley of Pennsylvania. Findley stated, “The institution, having no principle but that of avarice, will never be varied in its object, to engross all that wealth, power ad influence of the state.”

The men behind the Bank of North America included Alexander Hamilton, Robert Morris, and the banks president Thomas Wiling, did not give in. Only six years later Hamilton, the then secretary of the treasury, and his mentor Morris pushed a new bill through legislation for another privately owned bank. This new bank was called the First Bank of the United States. Thomas Wiling served as the banks president.

The players in the fraudulent scheme against the American people remained the same. The only thing that had changed was the name of the bank.

IX. The Constitutional Convention.

The Constitutional Convention was held in Philadelphia in 1787.

In 1787 colonial leaders assembled to replace the Articles of Confederation. Both Thomas Jefferson and James Madison remained steadfastly unmoved toward a privately owned bank. They had seen the problems caused by the Bank of England.

Jefferson stated, “If the American people ever allow private banks to control the issue of their currency, first by inflation, then by deflation, the banks and the corporations which grow up around them will deprive the people of all property until their children wake up homeless on the continent their fathers conquered.”

During the debate over the future monetary system another one of the founding fathers, Gouvernor Morris castigated the motivations of the owners of the Bank of North America. Gouvernor Morris was head of the committee that wrote the final draft of the Constitution. Morris knew the motivations of the bank, as his old boss Robert Morris, and Alexander Hamilton were the ones who had presented the original plan for the Bank of North America to the Continental Congress during the last year of the revolution. In a letter he wrote to James Madison on July 2nd 1787, Gouvernor Morris revealed what was really going on, “The rich will strive to establish their dominion and enslave the rest. They always did. They always will. They will have the same effect here as elsewhere, if we do not, by the power of government, keep the in their proper spheres.”

Despite the defection of Gouvernor Morris from the ranks of the banks, Hamilton, Robert Morris, Thomas Wiling and their European backers were not about to throw in the towel. They convinced the bulk of the delegates at the Constitutional Convention not to give Congress the power to issue paper money. Most of the delegates were still aware of the paper currency problems that arose during the issuance of paper currency during the revolution. The had apparently forgotten how well Paper Scrip had worked prior to the war. But, the Bank of England had not and would not stand for the Americans to print their own money again. So, the Constitution remains silent on this matter. This defect left the door open for the money changers, just as they had planned.

X. The First Bank Of The United States.

The First Bank of the United States received its twenty year charter in 1791.

Only three years after the signing of the new constitution, the newly appointed, first secretary of treasury, Alexander Hamilton proposed a bill calling for a new privately owned central bank. This bill was brought to Congress in the same year that Amshel Rothschild made a pronouncement from his flagship bank in Frankfurt. “Let me issue and control a nation’s money and I care not who writes the laws.”

Alexander Hamilton was a tool of the international banker. One of his first jobs after graduating from law school, in 1782 was as an aide to Robert Morris the head of the Bank of North America. A year before Hamilton had written a letter to Morris saying, “A national debt, if it is not too excessive will be to us a national blessing.”

Congress passed the banking bill proposed by Hamilton and gave it a twenty year charter. The new bank was to be called, the First Bank of the United States.

The bank was given a monopoly on printing U.S. currency, even though 80% of its stock was held by private investors. The other 20% was purchased by the U.S. government. The reason was not to give the government a piece of the profits, it was a scheme to provide the cash needed for the other 89% owners. As with the old Bank of North America and the Bank of England, the stock holders never paid the full amount of their shares. The U.S. government put up the private shareholders initial two million dollars in cash and then through fractional reserves made loans to its charter investors so they could come up with the remaining 8 million dollars needed for this risk free investment. The name of the bank was deliberately chosen to hide the fact that it was privately controlled, and like the Bank of England, the names of the private investors were never revealed. However, it was well-known that the Rothschild’s were the driving power behind the Bank of the United States.

The bank was sold as a way to stabilize the nations currency and to control inflation. However, over the first five years, the U.S. government borrowed 8.5 million dollars from the Bank of the United States and over that same five-year period, prices rose by 72%. Jefferson as the new secretary of state watched the borrowing with sadness and frustration, unable to stop it. Jefferson wrote, “I wish it were possible to obtain a single amendment to our Constitution taking from the federal government their power of borrowing.”

Millions of Americans feel the same way today as they helplessly watch Congress borrow the U.S. economy into oblivion.

XI. Napoleon’s Rise To Power.

Napoleon Emperor of France (1769-1821).

The Bank of France was organized in 1800 in the same manner as the Bank of England.

Napoleon decided France had to break free of debt and he never trusted the Bank of France. Napoleon declared when the government relied on the bankers for money, the bankers, not the political leaders were on control of the government. “The hand that gives is above the hand that takes. Money has no motherland; financiers are without patriotism and without decency; their sole object is gain.”

Back in the states, Thomas Jefferson narrowly defeated John Adams to become the third president of the U.S. BY 1803, Jefferson and Napoleon had struck a deal. The U.S. would give Napoleon three million dollars in gold in exchange for a huge piece of land west of the Mississippi river. This is known as the Louisiana purchase. With that three million dollars Napoleon forged and army and set off to conquer Europe. The Bank of England quickly rose to oppose Napoleon, financing every nation in his path reaping enormous war profits. Prussia, Austria and Russia all went into debt in a futile attempt to stop Napoleon. Four years later with the French army in Russia, Nathan Rothschild personally took charge to smuggle a supply of gold through France to finance and attack on France by the Duke of Wellington from Spain. Wellington’s attack from the south and other defeats eventually caused Napoleon to abdicate and Louis the Eighteenth was crowned king. Napoleon was exiled to Alba a tiny island off the coast of Italy. While Napoleon was in exile and temporarily defeated by England through the financial support of the Rothschild’s, America was trying to break free of its central bank as well.

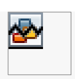
XII. Death Of The First Bank Of The United States.

In 1811 a bill was given to Congress to renew the Bank of the U.S. The debate was heated and representatives of Pennsylvania and Virginia passed resolution asking Congress to kill the bank. The press of the day openly called the bank a swindle, a vulture, a viper and a cobra. Oh, to have an independent press once again in America. A Congressman named P.B. Porter attacked the bank from the floor saying, “If the bank’s charter was renewed Congress would have planted in the bosom of this Constitution a viper, which one day or another would sting the liberty of this country to the heart.”

Nathan Rothschild warned that the U.S. would find itself involved in a most disastrous war if the banks charter were not renewed. The renewal bill was defeated by a single vote in the house, and was deadlocked in the senate. At this time America’s fourth president was in the Whitehouse, James Madison. Madison, like Jefferson was a staunch opponent of the bank, his vice president George Clinton broke the tie in the senate and sent the bank into oblivion. Within five months England attacked the U.S. and the war of 1812 was on. But, the British were still fighting Napoleon, so the war ended in a draw in 1814. The money changers were down, but they were far from out.

It would take only another two years to bring back their bank, bigger and stronger than ever.

XIII. Waterloo.



Napolean’s final defeat took place during the battle of Waterloo in 1815.

Nothing in history reflects the ingenuity in the Rothschild family in their control of the British stock market after Waterloo.

In 1815 Napoleon escaped exile and returned to Paris. The French soldiers were sent to capture him, but he was such a charismatic figure that the soldiers, instead, rallied around their old leader and hailed him as their new emperor. In March of 1815 Napoleon equipped a new army that was defeated less than ninety days later at Waterloo. Some writers suggest that Napoleon borrowed five million pounds from the Bank of England to finance his new army, but it appears these new funds actually

came from the Ubard Banking House in Paris. From this point on it was not unusual for privately owned banks to finance both sides of a war.

Why would a central bank finance both sides of a war? Because war is the biggest debt generator of them all. A nation will borrow any amount for victory. The ultimate loser is given enough financing for the hope of victory, while the ultimate winner is given just enough to win. Such loans are usually conditioned upon the guarantee the victor will honor the debt of the vanquished.

At Waterloo, Napoleon suffered his final defeat but not before thousands of French and Englishmen gave their lives. 74,000 French troops met 67,000 British and other European nation troops. The outcome was in doubt. Nathan Rothschild planned to use the opportunity of the outcome of the war to try to seize control of the British stocks and bonds markets of England. Rothschild stationed a trusted agent named Rothworth on the banks of the north side of the battlefield close to the English channel.

Once the battle had been decided Rothworth took off for the channel and delivered the news to Rothschild, before Wellington's own courier. If Wellington had been defeated and Napoleon was loose on the continent again, Britain financial situation would become grave. Rothschild hurried to the stock market and took his usual position. With all eyes watching Rothschild, he began to sell all his shares. Other nervous investors observed Rothschild and panicked, this could only mean that Wellington lost to Napoleon. The market plummeted and all investors were selling their consoles and other British bonds. Prices dropped sharply. But, Rothschild began to secretly buy up consoles through his agents for pennies on the dollar, for their worth only hours before. Soon Nathan Rothschild dominated the bond market and the Bank of England as well. By the mid 1800s the Rothschild's were the richest family in the world. The rest of the 19th Century was known as the age of the Rothschild's.

One hundred years later the New York Times ran a story which said that Nathan's grandson had attempted to secure a court order to suppress a book with the stock market story in it. The Rothschild family claimed the story was untrue and libelous, but the court denied the Rothschild family request and ordered the Rothschild to pay all court costs.

XIV. The Second Bank Of The United States.

The Second Bank of the U.S was chartered in 1816.

One year after Waterloo and the Rothschild's takeover of the Bank of England, the American congress passed another bill allowing for the formation of another privately owned bank, the Second Bank of the U.S. The new banks charter was a copy of the previous banks, with the U.S. government owning 20% shares in the bank. The shares were paid by the treasury – tax payer money, up front. Then through the fraudulent practice of fractional banking, the money was formed into loans with the loan money being used by the private bankers to purchase the remaining 80% of the bank shares. Just as before, the primary shareholders remained a secret. However, the largest blocks, about one-third of the shares were sold to foreigners. The second bank of the U.S. was deeply rooted in Britain. By 1816, the Rothschild's had taken control over the Bank of England, and the new privately held Second Bank of the U.S.

XV. Andrew Jackson: "I Killed The Banks."

Andrew Jackson, 7th President of the U.S.

After twelve years of the Second Bank of the U.S., manipulating the American economy, the American people had had enough. Opponents of the bank nominated a senator from Tennessee, Andrew Jackson, the hero of the Battle of New Orleans, to run for president. Initially, no one gave Jackson a chance to win the presidency. The banks had long been able to control the political process with money. To the surprise and dismay of the money changers, Jackson was swept into office in 1828. Jackson was determined to kill the bank at the first opportunity, and wasted no time trying. However, the banks twenty year charter didn't come up for renewal until 1836. The last year of his second term, if he could survive that long. During his first term Jackson rooted out the banks minions from government service. He fired 2000 of the 11000 employees of the federal government. In 1832 with his reelection approaching, the banks struck and early blow, hoping Jackson would not want to stir up controversy. The banks asked Congress to sign a new renewal bill, four years early. Congress complied, and then sent it to the president for signing. Jackson

vetoed the bill. This veto bill is one of America's greatest documents, clearly laying out the responsibility of the American government towards its citizens, rich and poor.

"It is not our own citizens only who are to receive the bounty of our Government. More than eight millions of the stock of this bank are held by foreigners. Is there no danger to our liberty and independence in a bank that in its nature has so little to bind it to our country Controlling our currency, receiving our public moneys, and holding thousands of our citizens in dependence would be more formidable and dangerous than a military power of the enemy. If government would confine itself to equal protection, and, as Heaven does its rains, shower its favor alike on the high and the low, the rich and the poor, it would be an unqualified blessing. In the act before me there seems to be a wide and unnecessary departure from these just principles."

In July of 1832, Congress was unable to override Jackson's veto. Jackson had to now run for reelection, and took his argument directly to the people. For the first time in presidential history, Jackson took his campaign for reelection on the road. His campaign slogan was Jackson and no bank. The national republican party ran Senator Henry Clay against Jackson. Despite the fact that the bankers spent more than three million dollars on Clay's campaign, Jackson was reelected by a landslide in November of 1832.

The battle was only beginning. "The hydra of corruption is only scorched, not dead." Jackson ordered his new secretary of treasury, Louis McClain, to start removing the government deposits from the second bank, and start placing them in state banks. McClain refused to do so. Jackson fired him, and appointed William J. DeWayne as the new secretary of the treasury. DeWayne also refused to comply with the president's order. Jackson fired him as well and appointed Roger B. Taney to the office. Taney began withdrawing government money from the banks on October of 1833. The banks head Nicolas Biddle used his influence to get the senate to reject Taney's nomination. Then, in a rare show of arrogance, Biddle threatened to cause a depression if the bank was not rechartered. "This worthy president thinks that because he has scalped Indians, and imprisoned Judges, he is to have his way with the Bank. He is mistaken." Biddle admitted that he was going to make money scarce, and force Congress to restore the bank. "Nothing but widespread suffering will produce any effect on Congress. Our only safety is in pursuing a steady course of firm restriction, and I have no doubt that such a course will ultimately lead to restoration

of the currency and the recharter of the bank.” Biddle clearly intended to use the money contraction power of the bank to cause a massive depression, until the U.S. gave in.

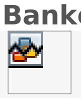
Biddle made good on his threat. The bank began to contract the money supply be calling in old loans and refusing to extend new ones. A financial panic ensued, followed by a deep depression. Biddle blamed Jackson for the crash, saying it was caused by the withdrawal of the federal funds from the bank. As a result, wages and prices plummeted, unemployment soared, and businesses went bankrupt. The nation newspapers blasted Jackson in editorials. The banks threatened to withhold payments from politicians who refused to support the bank’s position. Within months Congress formed what was called, the Panic Session. Six months after Jackson had withdrawn federal money from the privately owned banks, he was officially censored. The resolution was passed 26-20 and was the first time a president had been censured by Congress. Jackson lashed out at the bankers, “You are a den of vipers and I intend to route you out, and by God I will route you out.” If Congress could raise enough votes, Congress could pass another bill and renew the banks monopoly over America’s money for another twenty years or more. What the nation needed was a miracle, and it got one. The governor of Pennsylvania came out in support of Jackson, and Biddle had been caught boasting in public about the banks plan to crash the economy. Suddenly, the tide shifted and in 1834, the House of Representatives voted 124-82 against rechartering the bank. This was followed by a more lopsided vote to establish a committee to investigate whether the bank had intentionally caused the crash. When the investigating committee, armed with a subpoena to examine the banks books, Biddle refused to give them up. Nor would he allow inspection of correspondence with members of Congress, related to their personal loans and advances he had made to them. Biddle also refused to testify before the committee. On January, 8th 1835, Jackson paid off the final installment on the national debt, which had been necessitated by allowing the banks to issue currency for government bonds rather than issuing treasury bonds without such debt. Jackson was the only president to ever pay off the debt.

A few weeks later on January 30th, 1835, an assassin named Richard Lawrence tried to shoot President Jackson. However, both pistols misfired. Lawrence was later found not guilty by reason of insanity. After his release he bragged to friends that powerful

people in Europe had put him up to the task, and promised to protect him if he were caught.

The following year the banks charter ran out and the Second Bank of the U.S. ceased functioning as the nations central bank. Biddle was later arrested and charged with fraud. He was tried and acquitted, but died shortly thereafter while still tied up in civil suits. It took the money changers 77 more years before it could undue the damage Jackson had caused it. When asked what his most important accomplishment had been, Jackson was quoted as saying, “I killed the bank.”

XVI. Abraham Lincoln: Greenbacks, Bankers and Assassination.



Abraham Lincoln, 16th President of the U.S.

Although Jackson killed the central bank, unfortunately, fractional reserve banking remained in use by the numerous state chartered banks. This fueled economic instability in the years before the civil war. Still the central bankers were out and as a result American thrived as it expanded westward. The central bankers struggled to regain power of the bank, but to no avail. Then finally they reverted to the old central bankers formula of war to create debt and dependency. If they couldn’t get their bank any other way, America could be brought to its knees by plunging it into a civil war, just as they had done in 1812 after the First Bank of the U.S. was not rechartered.

One month after the inauguration of Abraham Lincoln, the first shots of the Civil War was fired at Fort Sumter South Carolina, on April 12th 1861. Certainly, slavery was a cause of the Civil War, but not the primary cause. Lincoln knew that the economy of the South was dependent upon slavery, and so before the Civil War he had no intention of eliminating it. Lincoln addressed slavery in his inaugural address, “I have no purpose, directly or indirectly to interfere with the institution of slavery in the states where it now exists. I believe I have no lawful right to do so, and I have no inclination to do so.” Lincoln would continue to insist that the Civil War was not about the issue of slavery. “My paramount objective is to save the Union, and it is not either to save or destroy slavery. If I could save the Union without freeing any slave, I would do it.”

Northern protectionist were using their power to prevent the southern states from purchasing cheaper goods, and European nations began to boycott cotton imports from the south. The southern states were in a double financial bind. They were forced to pay higher prices for the necessities of life, while their cotton exports plummeted. But there were other factors at work. The money changers were still infuriated that they had no control over America's central bank. America's “wildcat” economy had made the nation rich since the money changers lost control only 25 years earlier. The central bankers used the division between the North and the South as an opportunity to split this rich new nation, and to gain control of the central bank once again. Their intention was to divide and conquer through the use of war. A Civil War. Otto Von Bismarck the Chancellor of Germany, the man who united the German states a few years later. “The division of the United States into federations of equal force was decided long before the Civil War by the high financial powers of Europe. These bankers were afraid that the United States, if they remained as one block, and as one nation, would attain economic and financial independence, which would upset their financial domination over the world.”

Within months after the first shots at Fort Sumter, the central bankers loaned the nephew of Napoleon, Napoleon III of France, 210 million francs to seize Mexico and station troops along the southern border of the U.S. taking advantage of the states war, to violate the Monroe Doctrine and to return Mexico to colonial rule. No matter what the outcome of the Civil War, a weakened America, heavily indebted to the central and international bankers, would open up Central, and South America to European colonization and domination. This was the very thing the Monroe Doctrine had forbidden in 1823.

During this same time, Britain moved 17,000 troops into Canada and positioned them menacingly on the U.S. northern border. The British fleet went on war alert, should their quick intervention be called for. Lincoln was in a double bind, and agonized over the fate of the Union. There was a lot more to the war, than the differences between the northern and southern states. That is why Lincoln's emphasis was always on Union, and not just merely the defeat of the South. But, Lincoln needed money to win, and in 1861 Lincoln and his secretary of treasury Solomon P. Chase, went to New York to apply for the necessary loans. The money changers anxious to see the Union fail, offered loans at 36% interest. Lincoln refused to accept those rates and returned to Washington.

Lincoln turned to an old friend Colonel Dick Taylor of Chicago and put him on the problem of financing the war. During on meeting Taylor told Lincoln, "Just get Congress to pass a bill authorizing the printing of full legal tender treasury notes and pay your soldiers with them and go ahead and win your war with them also." Lincoln asked if the people of the U.S. would accept the notes Taylor said, "The people or anyone else will not have any choice in the matter, if you make them full legal tender. They will have the full sanction of the government and be just as good as any money; as Congress is given that express right by the Constitution." Between 18662-1863, Lincoln printed up 400 million dollars worth of new bills. In order to distinguish them from other bank notes in circulation he printed them in green ink on the back side. Thus, the notes became known as green backs. With this new money, Lincoln paid the troops, and bought their supplies. During the course of the war nearly 450 million dollars in green backs were printed at no interest to the federal government. Lincoln understood who was really pulling the strings and this is how he explained his rationale, "The Government should create, issues and circulate all of the credit needed to satisfy the spending power of the Government and the buying power of the consumers. The privilege of creating and issuing money is not only the supreme prerogative of Government, but is the Government's greatest creative opportunity. By the adoption of these principles, the taxpayers will be saved immense sums of interest. Money will cease to be the master and become the servant of humanity."

An editorial in the London Times explained the bankers attitude toward the greenbacks. "If this mischievous financial policy, which has its origin in North America, shall become underrated down to a fixture, then that Government will furnish its own money without cost. It will pay off debts and be without debt. It will have all the money necessary to carry on its commerce. It will become prosperous without precedent in the history of the world. The brains, and wealth of all countries will go to North America. That country must be destroyed or it will destroy every monarchy on the globe."

The scheme was so effective that in 1863, federal and confederate troops began to mass for the decisive battle of the Civil War. The treasury was in need of further authority to issue more green backs. Lincoln allowed the bankers to push through the National Bank Act. These new banks would operate under a tax-free status, and collectively have the exclusive monopoly power to create the new form of money – bank notes. Though green backs continued to circulate, there numbers were not

increased. Most importantly, the entire U.S. money supply would be created out of debt where bankers would be buying U.S. government bonds, and issuing them for reserves for bank notes. John Kenneth Galbraith wrote, “In numerous years following the war, the Federal government ran a heavy surplus. It could not however, pay off its debt, retire its securities, because to do so meant there would be no bonds to back the national bank notes. To pay off the debt was to destroy the money supply.”

Later in 1863 Lincoln received unexpected help from Czar Alexander II of Russia. The Czar, like Bismarck in Germany knew what the international money changers were up to, and steadfastly refused to allow them to set up a central bank in Russia. If America survived, and was able to remain out of the crutches of the bankers, the Czar’s position would remain secure. If the bankers were successful in dividing America, and giving the pieces back to Britain and France, and both nations back to the control of the central banks, eventually they would threaten Russian again. So, the Czar gave orders that if either Britain or France, actively intervened by giving aid to the South, Russia would consider such action a declaration of war. Alexander II then sent part of his naval fleet to port in San Francisco.

Lincoln was reelected the following year in 1864. Had he lived he surely would have killed the national banks money monopoly extracted from him during the war. In November of 1864, Lincoln wrote a friend the following note, “The money power preys upon the nation in times of peace and conspires against it in times of adversity. It is more despotic than monarchy, more insolent than autocracy, more selfish than bureaucracy.” Shortly before Lincoln was murdered, his former secretary Salmon P. Chase, bemoaned his role in helping secure the passage of the national banking act. “My agency in promoting the passage of the National Banking Act was the greatest financial mistake in my life. It has built up a monopoly which affects every interest in the country.”

On April 14th 1865, just forty-one days after Lincoln’s second inauguration, and just five days after Lee surrendered to Grant, Lincoln was shot by John Wilkes Booth at Ford’s Theater. Otto Van Bismarck, the Chancellor of Germany lamented the death of Abraham Lincoln, “The death of Lincoln was a disaster for Christendom. There was no man in the United States great enough to wear his boots. I fear that foreign bankers with their craftiness and tortuous tricks will entirely control the exuberant riches of America, and use it systematically to corrupt modern civilization. They will not

hesitate to plunge the whole of Christendom into wars and chaos in order that the earth should become their inheritance.” Bismarck well understood the bankers plan, and allegations that the international bankers were responsible for Lincoln’s assassination surfaced 70 years later in 1934.

Gerald G. McGeer, a popular and well-respected attorney revealed the stunning charge in a five-hour speech before the Canadian House of Commons, blasting Canada’s debt based money system. During the height of the depression McGeer stated that he could end the depression, which was ravaging Canada as well. McGeer had obtained evidence that was deleted from the public record, that was provided to him by secret service agents that had attended the trial of John Wilkes Booth. Booth was a mercenary working for the international bankers. According to an article of the Vancouver Sun, on May the 2nd, 1934 wrote, “Abraham Lincoln was assassinated through the machinations of a group representative of the international bankers who feared the United States President’s national credit ambitions and the plot was hatched on Toronto and Montreal. There was only one group in the world at that time that desired the death of Lincoln. They were the group that was opposed to his national currency program, and had fought him throughout the entire Civil War on his policy of green back currency. McGeer stated that the international bankers not only wanted to reestablish a federal central bank, but also wanted to debase America’s currency on gold they controlled. What this meant was the bankers wanted to put America on a gold standard. Lincoln had done just the opposite when he issued green backs, which were based purely on the good faith and credit of the U.S. nation. McGeer also wrote, “They were the men interested in the establishment of the Gold Standard money system and the right of the bankers to manage the currency and credit of every nation in the world. With Lincoln out-of-the-way they were able to proceed with that plan, and did proceed with in the United States. Within eight years after Lincoln’s assassination silver was demonetized and the Gold Standard money system set up in the United States.” Not since Lincoln has the United States issued debt free U.S. notes.

In another act of folly and ignorance, the 1994 Regal Act actually authorized the replacement of Lincoln’s green backs with debt based notes. In other words, green backs were in circulation in the U.S. until 1994.

Why is silver bad for the bankers, and gold good? Because silver was plentiful in the U.S. and very hard to control. Gold was, and always had been scarce. Historically, it as always been easy to manipulate the value of gold, but silver has always been more than 15 times more abundant.

XVII. The Return Of The Gold Standard.

With Lincoln out-of-the-way, the money changers next objective was to gain complete control over America's money. This was no easy task with the opening of the American west, silver had been discovered in huge quantities and Lincoln green backs remained very popular. Despite this, the bankers continued to attack Lincoln's green backs that continued to circulate in the U.S. W. Cleon Skousen wrote, "Right after the Civil War there was considerable talk about reviving Lincoln's brief experiment with the Constitutional monetary system. Had not the European money-trust intervened, it would have no doubt become an established institution."

On April 12th 1866, nearly one year to the day of Lincoln's assassination, Congress began to work for the interest of the international banking interests, passing the Contraction Act, authorizing the secretary of the treasury to begin retiring some of the green backs that were in circulation, and thereby contract the money supply. Authors Theodore R. Thoren and Richard F. Warner explained the results of the money contraction in their book, The Truth In Money Book. "The hard times that occurred after the Civil War could have been avoided if the green back legislation had continued as president Lincoln had intended. Instead, there were a series of manufactured money panics, known as recessions, which put pressure on Congress to enact legislation to put the banking system under the bankers exclusive control. Eventually, the Federal Reserve Act was passed on December, 23rd, 1913. Under this act the money changers once again gained control of the central banking system, and American currency backed by gold. There strategy was to cause a series of panics through recessions, and to convince the American people who only centralized control of the U.S. money supply could provide economic stability. The second step

was to remove so much money from the system that most Americans would be so desperately poor that they didn't care or would be too weak to oppose the bankers.

In 1866 there was about 1.8 billion dollars in currency about 50.46 per capita.

In 1867 half a billion dollars had been removed from circulation resulting in 44.00 per capita.

By 1876 America's money supply had been reduced to only 600 million dollars, and only 14.60 per capita remained in circulation.

In 1886 the money supply continued to be reduced to only 400 million in supply with only 6.67 per capita remained in circulation. A 760% loss in buying power over 20 years.

Today economists attempt to sell the idea that recessions and depressions are a natural part of "the business cycle." The truth is the money supply is manipulated by bankers, just as it was before and after the Civil War.

How did the money supply become so scarce? Simply, loans were called in, and no new loans were issued. In addition, silver coins were melted down. In 1872 a man named Ernest Seyd was given 100,000 pounds, about 500,000 dollars by the Bank of England and sent to America to bribe Congressmen to get silver demonetized. He was told that if that was not sufficient, to draw an additional 100,000 pounds, or as much as would be necessary. The next year Congress passed the Coinage Act of 1873, with Seyd actually drafting the legislation. In 1874, Said admitted who was behind the scheme. "I went to America in the winter of 1872-1873, authorized to secure, if I could, the passage of a bill demonetizing silver. It was in the interest of those I represented – the governors of the Bank of England – to have it done. By 1873, gold coins were the only form of coin money."

In 1876, only three years later with one-third of America's workforce unemployed, the population was growing restless. People desired a return to the green back money system, or a return to the silver money, anything that would make money more plentiful. That year Congress created the U.S. Silver Commission to study the problem. Their report clearly blamed the money retraction on the international money bankers. The report compared the deliberate money contraction after the

Civil War to the fall of the Roman Empire. “The disaster of the Dark Ages was caused by decreasing money and falling prices. Without money, civilization could not have had a beginning and with a diminishing supply, it must languish and unless relieved, finally perish. During the Christian era the metallic money of the Roman Empire amounted to one billion, eight hundred million. By the end of the 15th Century it had shrunk to less than 200 million. History records no other such disastrous transition as that from the Roman Empire to the dark ages. U.S. Silver Commission. Despite this report, Congress took no action and the following year, in 1877, the starving masses rioted from Pittsburg to Chicago. The torches of starving vandals lit up the sky across America. The bankers huddled to decide what to do. They decided to hang on. Now that they were back in power, they were not about to give it up, and at the meeting of the American Banking Association, they urged their membership to do everything in their power to put down the notion of a return to green backs. The ABA secretary James Beul authored a letter, which blatantly called on the banks to subvert not only Congress, but also the press. “It is advisable to do all in your power to sustain such prominent daily and weekly newspapers, especially the Agricultural and Religious Press, as will oppose the greenback issue of paper money and that you will also withhold patronage from all applicants who are not willing to oppose the government issue of money. To repeal the Act creating bank notes, or to restore to circulation the government issue of money will be to provide the people with money and will therefore seriously affect our individual profits as bankers and lenders. See your Congressmen at once and engage him to support our interest that we may control legislation.” As political powers tried to push for change, the press, working with the bankers, tried to turn the American people away from the truth. In 1878, the New York Tribune wrote, “The capital of the country is organized at last and we will see whether Congress will dare to fly in its face.” But, it didn’t work entirely. On February, 28 1878, Congress passed the Sherman Law, allowing the minting of a limited amount of silver dollars ending the five-year hiatus. This did not end the gold backing of the currency, nor did it completely free silver. As a result, the bankers finally freed up money for loans and the post-Civil War depression had finally ended.

James Garfield, 20th President of the U.S.

Three years later the American people would vote James Garfield as their 20th president, but he would survive a mere 200 days in office before being assassinated. Garfield had understood how the economy was being manipulated. As a congressman, Garfield had been a chairman of the appropriation committee and had been a member of banking and currency. After his inauguration he slammed the money changers publicly. “Whoever controls the volume of money in any country is absolute master of all industry and commerce. And when you realize that the entire system is very easily controlled, one way or another, by a few powerful men at the top, you will not have to be told how periods of inflation and depression originate.” Within a few weeks of making this statement, on July 2nd, 1881, Garfield would be assassinated.

XVIII. Free Silver: Crown Of Thorns Cross Of Gold.

In 1891, the money changers prepared to take the American economy down again. There method and motive was laid out in shocking clarity discovered in a memo sent out to American Banking Association members. This memo called for bankers to create a depression on a certain date three years in the future. According to Congressional Record dated April 29, 1913, “On September 1st 1894, we will not renew our loans under any consideration. On Sept. 1st we will demand our money. We will foreclose and become mortgagees in possession We can take two-thirds of the farms west of the Mississippi, and thousands of them east of the Mississippi as well, at our own price. Then the farmers will become tenants as in England. These depressions could be controlled because America was on the gold standard, because when gold is scarce it becomes one of the easiest commodities to manipulate.

By 1896 the issuance of more silver money had become the main issue during the presidential campaign. Williams Jennings Bryan a senator from Nebraska ran for presidency on the Free Silver Issue. At the Democratic Convention in Chicago Bryan made an emotional speech, which won him the nomination entitled, Crown of Thorns and Cross of Gold. Only 36 years old at the time, this speech is widely regarded as

one of the most important orations ever made at a political convention. At the end of the speech Bryan said, “We will answer their demand for a gold standard by saying to them: You shall not press down upon the brow of labor this crown of thorns, you shall not crucify mankind upon a cross of gold.”

William Jennings Bryan (1860-1925).

The bankers lavishly supported the republican candidate William McKinley who favored the gold standard. The resulting contest was one of the most fiercely contested presidential races in American political history. Bryan made over 600 speeches in 27 states. The McKinley campaign got manufacturers and industrialist to inform their employees to believe that if Bryan were elected all factories and plants would close and there would be no work. The bankers ploy worked and McKinley beat Bryan by a small margin. Bryant ran for president again in 1900 and again in 1908, falling short each time. During the 1912 Democratic convention Bryan was a powerful figure who would help Woodrow Wilson win the nomination. When Wilson became president, he appointed Bryan as secretary of state, but Bryan soon became disenchanted with the Wilson administration. Bryan served only two years in the Wilson administration before resigning in 1915, over the highly suspicious sinking of the Lusitania, which was the event to drive America into World War One. Although William Jennings Bryan never gained the presidency, his efforts delayed the money changers for 17 years, from obtaining their next goal, a new privately owned central bank for America.

XIX. J.P. Morgan And The Crash of 1907.

During the early 1900’s men like J.P. Morgan led the charge to reinstate a privately held central bank. One final panic would focus the American’s attention on the supposed need for a newly chartered central bank. The rationale was that only a central bank could prevent bank failures.

Morgan was by far the most powerful banker in America, and a suspected agent for the Rothschild’s. Morgan had helped finance John D. Rockefeller’s Standard Oil empire, and helped finance the monopolies of Edward Harriman in railroads, Andrew

Carnegie in steel, and others in numerous industries. J.P. Morgan's father Julius Morgan had been America's financial agent to the British. After his father's death J.P. Morgan took on a British partner Edward C. Grenfell, a long time director of the Bank of England. In fact, on his death Morgan's estate contained only a few million dollars. The bulk of securities that everyone thought he had owned, were in fact, owned by foreign interests.

In 1902 President Theodore Roosevelt allegedly went after Morgan and their conspirators to break up their industrial monopolies using the Sherman Anti-trust Act. In reality, Roosevelt did little to interfere with the growing monopoly of the industrialist bankers and their surrogates. Example, Roosevelt supposedly broke up the Standard Oil monopoly, but it wasn't broken up at all, it was merely divided up into seven corporations, all still controlled by the Rockefellers. The public was made aware of this by political cartoonists like Thomas Nast who referred to the bankers as the money trusts.

In 1891, a British labor leader made the following statement on the subject of the Rothschilds, "This blood-sucking crew has been the cause of untold mischief and misery in Europe during the present century, and has piled up its prodigious wealth chiefly through fomenting wars between States which ought never to have quarrelled. Whenever there is trouble in Europe, wherever rumours of war circulate and men's minds are distraught with fear of change and calamity you may be sure that a hook-nosed Rothschild is at his games somewhere near the region of the disturbance." Comments like this worry the Rothschilds' and towards the end of the 1800's they purchased Reuters news agency so they can exercise control over what the media prints.

By 1907, the year after Teddy Roosevelt reelection, Morgan tried to push for a central bank again. Using their combined financial muscle, Morgan and his friends were secretly able to crash the stock market. Thousands of small banks were vastly over extended, some had reserves less than one percent, thanks to the principle of fractional reserves. Within days bank runs were common across the nation. Now Morgan stepped into the public arena and promised to prop up the faltering American economy, by supporting failing banks with money he manufactured out of nothing. It was an outrageous proposal, far worse than even fractional reserve banking, but Congress let him do it. Morgan printed 200 million dollars in completely worthless,

private money and bought things with it, paid for services with it and sent some of it to his branch banks to lend out at interest. His plan worked and soon the public regained their confidence in money and quit hording their currency. However, as a result banking power was further consolidated into the hands of a few large banks. By 1908 the panic was over, and Morgan was hailed as a hero by the president of Princeton University. A man by the name of Woodrow Wilson. “All this trouble could be averted if we appointed a committee of six or seven public-spirited men like J.P. Morgan to handle the affairs of our country.” Economic textbooks would later claim that the creation of the Federal Reserve system was a direct result of the panic of 1907. “With the alarming epidemic of bank failures the country was fed up once and for all with the anarchy of unstable private banking.” But, Minnesota congressman Charles A. Lindbergh Sr. would later explain that the panic of 1907 was really nothing more than a scam perpetrated by J.P. Morgan and other banking interests. “Those not favorable to the money trust could be squeezed out of business and the people frightened into demanding changes n the banking and currency laws which the Money Trust would frame.”

Since the passing of the National Bank Act of 1863, the money changers had been able to create a series of booms and busts. The purpose was not only to fleece the American public of their property, but to later claim the banking system was so unstable that it had to be consolidated into a central bank once again.

XX. Jekyll Island: The Aldrich Bill.

The infamous Jekyll Island where the crime of the century was hatched and later known as the Federal Reserve Act of 1913.

After the crash, Theodore Roosevelt in response to the crash, signed into law a bill called the National Monetary Commission. The commission was to study the banking problem and make a report to Congress. Of course, the committee was packed with Morgan’s friends and cronies. The chairman was a man named senator Nelson Aldrich from Rhode Island. Rhode Island was the location of homes of America’s most wealthiest families. Aldrich’s daughter married John D. Rockefeller Jr. and together they had five sons. John, Nelson who would become vice president in 1964, Lawrence, Winthrop and David, the head of the council of foreign relations and

former chairman of Chase Manhattan Bank. As soon as the National Monetary Commission was set up, senator Aldrich immediately embarked on a two-year tour or Europe, where he consulted in length with the private central bankers in England, France and Germany. The total cost of his trip was 300,000 USD, an astronomical amount of money in those days. Shortly after his return on November 22nd 1910 some of the wealthiest and most influential men boarded his private railroad car and in the strictest secrecy traveled to Jekyll Island off of the coast of Georgia. With the group came Paul Warburg, who had been given a 500,000 annual salary to lobby for the passage of a privately owned central bank in America by the investment firm, Kuhn, Lobe and Co. Warburg's partner in this firm was a man named Jacob Schiff, the grandson of the man who shared the green shield house with the Rothschild family in Frankfurt, Germany. Schiff was in the process of spending 20 million dollars to finance the overthrow of the Czar of Russia. These three European banking families, the Rothschild's, the Warburg's and the Schiff's, were interconnected in marriage down through the years, just as their American banking counterparts, the Morgan's, Rockefeller's and Aldrich's were.

Secrecy was so tight that all seven primary participants were cautioned to use only first names, to prevent servants from learning their identities. Years later one participant, Frank Vanderlip the president of National City Bank of New York, and a representative of the Rockefeller family confirmed the Jekyll Island trip in a February 9th addition of the Saturday Evening Post. "I was as secretive – indeed, as furtive as any conspirator. Discovery, we knew, simply must not happen, or else all our time and effort would be wasted. If it were to be exposed that our particular group had got together and written a bank bill, that bill would have no chance whatever of passage by Congress."

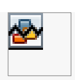
The participants had gone to Jekyll Island to solve one problem, and that problem was, how to bring back a privately owned central bank. But there were other problems that needed to be addressed as well. First, the market share of the big national banks were shrinking fast. In the first ten years of the century, the number of national banks had doubled to over twenty thousand. By 1913, only 29% of all banks were national banks and they held only 57% of all deposits. Senator Aldrich would later admit in a magazine article, "Before the passage of this Act, the New York Bankers could only dominate the reserves of New York. Now, we are able to dominate the bank reserves of the entire country." In the mind of the plotting conspirators,

something had to be done to bring these new banks under their control. As John D. Rockefeller stated, “Competition is sin.” Secondly, corporations were so strong that were beginning to finance their expansions out of profits, instead of taking out huge loans from large banks. In the first ten years of the new century, 70% of corporate spending came from profits. In other words, American industry was becoming independent of the money changers and that trend had to be stopped. All the participants new that all these problems could be resolved, but perhaps their biggest problem would be a public relation problem, and that was the name of the new bank.

Aldrich believed the word bank should not appear in the bills name. Warburg wanted to call the “legislation” the National Reserve Bill. The idea was to give the impression that the purpose of this new bill was to conceal the character of a new privately held central bank. Due to Aldrich’s large ego, he insisted the bill be called the Aldrich Bill. After nine days of the bankers conspiring to take over America’s money, the group dispersed. One thing the group did agree on was that the new bank would be similar to the old privately held central Bank of the United States, that it would be given a monopoly over the U.S. currency and given the power to create that money out of nothing.

How does the Fed create money out of nothing? It is a four step process, but bonds must first be discusses. Bonds are a promise to pay for government I.O.U.’s. People buy bonds to get a secure rate of interest and at the end of the term of the bond the government repays the bond, plus interest and the bond is then destroyed. There are today about 3.6 trillion dollars worth of these loans or bonds in existence today.

Creating Money.



The method by which the Federal Reserve creates money out of nothing is surely magical.

Step One. The Federal Open Market Committee approves the purchase of U.S. Bonds on the open market.

Step Two. The Bonds are purchased by the Fed from whoever is offering them for sale on the open market.

Step Three. The Fed pays for the bond with electronic credits to the seller's bank, these electronic credits are based on nothing. The Fed merely creates them out of nothing.
Step Four. The bank uses these deposits as reserves. They can loan out over ten times that amount of their reserves to new borrowers all at interest.

In this manner a Fed purchase of a million dollar in bonds, gets turned into ten million dollars in bank accounts. The Feds in affect create 10% of this phony money that is not backed by anything, and the banks then create the other 90%, which is not backed by anything. To reduce the amount of money in the economy, the process is simply reversed. The Feds sell bonds to the public, and the money flows out of the purchasers bank, and loans must be reduced by ten times the amount of the sale, so a Fed sale of a million dollar bond, results in ten million dollars of less money in the economy.

The next question that must be asked is, how does all of this benefit the bankers who's representatives conspired on Jekyll Island?

1. It misdirected banking reform from proper solutions.
2. It prevented a proper debt free currency like the greenbacks from making a comeback. The bond based system of government finance forced on Lincoln after he created greenbacks was now cast in stone.
3. It delegated to the bankers the right to create 90% of the nation's money supply, based on merely fractional reserves, which the bankers then loan out at interest.
4. It centralized overall control of the U.S. nations money supply in the hands of a few men.
5. It established a central bank with a high degree of independence from effective political control. Soon after its creation, the Feds contraction of money in the early 1930's would cause the Great Depression, and this independence has been enhanced ever since that period, through additional loss.

In order for the Federal Reserve to fool the public into believing the Fed was a governmental agency, and that the government would retain control over the bank, the planners called for the new central bank to be overseen by a board of governors, appointed by the president of the U.S., and approved by the senate. But, in reality, all the bankers had to do was be sure that their men got appointed to the board of governors. An easy enough task, since bankers have money, and money buys influence over politicians.

When the participators of the secretly held meeting at Jekyll Island returned home, the publicity blitz was on. The big New York bankers put together an educational fund of five million dollars to finance professors at respected universities to support the new bill. Woodrow Wilson was one of the first to jump on the band wagon. But, the Aldrich bill was recognized for what it was and it was quickly recognized as the bankers bill. A bill that would only become known as the money trust. As congress Lindberg stated during the bills debate, “The Aldrich Plan is the Wall Street Plan. It means another panic, if necessary, to intimidate the people. Aldrich, paid by the government to represent the people, proposes a plan for the trusts instead.” Rep. Charles A. Lindbergh (R-MN).

The bankers saw that they didn’t have enough congressional votes to have the Aldrich Bill passed, therefore the bill was never brought to a vote. The bankers were not defeated however, they quietly decided to move toward financing a new effort, which was to finance Woodrow Wilson as the democratic nominee. Wall Street financier Bernard Baruch was put in charge of Wilson’s education. Historian James Perloff wrote, “Baruch brought Wilson to the Democratic Party Headquarters in New York in 1912, leading him like one would lead a poodle on a string. Wilson received an indoctrination course from the leaders convened there.”

Now, the stage was set and the money changers were poised to install their privately owned central bank once again. The damage President Jackson had done 76 years earlier, had only been partly repaired with the passing of the National Banking Act during the Civil War. Since then the battle raged on for decades. The Jacksonians became the greenbackers, who became the hardcore backers of William Jennings Bryan. With Bryan leading the charge, the opponents of the money changers, ignorant of Baruch’s tutelage now threw themselves behind the democratic representative Woodrow Wilson. The Americans and Bryan would soon be betrayed.

XX!. The Federal Reserve Act Of 1913: Revisited.

During the democratic campaign the supporters of Woodrow Wilson pretended to oppose the Aldrich Bill. As Rep. Louis McFadden, a democrat and chairman of the House of Banking and Currency Committee explained it twenty years after the fact, “The Aldrich Bill was condemned in the platform, when Woodrow Wilson was nominated, the men who ruled the Democratic Party promised the people that if they

were returned to power there would be no central bank established here while they held the reins of government. Thirteen months later that promise was broken, and the Wilson administration, under the tutelage of those sinister Wall Street figures who stood behind Colonel House, established here in our free country the worm-eaten institution of the “king’s bank” to control us from the top downward and to shackle us from the cradle to the grave.”

Once Wilson was elected Morgan, Warburg, Baruch and other bankers hatched a new plan, which Warburg named the Federal Reserve System. The Democratic leadership hailed the new bill known as the Glass-Owen Bill as something radically different from the Aldrich Bill, but in fact the bill was virtually identical in every important detail. So vehement were the democrats in denial of the similarities of the bill, that Warburg the writer of both bills, he had to step in and reassure his paid friends in Congress that the two bills were identical. “Brushing aside the external differences affecting the shells, we find the kernels of the two systems very closely resembling and related to one another.” Warburg’s admission was for private consumption only. Publicly the money trust used Aldrich and Frank Vanderlip, the president of Rockefeller’s National City Bank of New York, and one of the Jekyll island seven secret conspirators, to oppose the new federal reserve system. Years later in a Saturday Evening Post article, Vanderlip admitted that the two bills were identical. “Although the Aldrich Federal Reserve Plan was defeated when it bore the name Aldrich, nevertheless its essential points were all contained in the plan that finally was adopted.”

As Congress neared a vote, they called an Ohio attorney named, Alfred Crozier to testify. Crosier noted the similarities between the Aldrich Bill and the Glass-Owen Bill. “The bill grants just what Wall Street and the big banks for twenty-five years have been striving for – private instead of public control of currency. It (the Glass-Owen Bill) does this as completely as the Aldrich Bill. Both measures rob the government and the people of all effective control over the public’s money, and vest in the banks exclusively the dangerous power to make money among the people scarce or plenty.”

During the debate on the bill senators complained that big banks were using their financial muscle to influence the outcome. “There are bankers in this country that are enemies of the public welfare,” said one senator. Despite the charges of fraud and corruption, the bill was finally snuck through the senate on December 23rd, 1913

after most senators had left town during the holidays, after being assured by the leadership that nothing would be done about the bill until Congress was to revenue after the Christmas recess. On the day the bill was passed, congressman Lindberg prophetically warned his countrymen that, “This Act establishes the most gigantic trust on earth. When the President signs this bill, the invisible government by the Monetary Power will be legalized. The people may not know it immediately, but the day or reckoning is only a few years removed. The worst legislative crime of the ages is perpetrated by this banking bill.” Only weeks earlier congress had legalized a bill legalizing income tax. Why was the income tax law important? Because bankers finally had in place a system that would run up a virtually unlimited federal debt. How would this interest and principal on this debt be repaid? Keeping in mind this central bank scheme prints money out of nothing, and that federal government was small at this time, the federal government existed on tariffs and excise taxes. Here, just as with the Bank of England, the income payments had to be guaranteed by direct taxation of the people. The money changers knew that if they had to rely solely on contributions from the state, eventually the individual state legislatures would revolt, and either refuse to pay the interest on their own money or at least bring political pressure to keep the debt small. Interestingly, in 1875 the Supreme Court had found a similar income tax law to be unconstitutional. The Supreme Court even found a corporate income tax unconstitutional in 1909. As a result senator Aldrich supported a constitutional amendment that would allow an income tax. The proposed XVI Amendment to the constitution was then sent to legislatures for approval. Some critics of the Amendment claim it was never ratified by the necessary 3/4 of the states. In other words, the XVI Amendment may not be a legal attachment to the U.S. Constitution. However, by 1913, senator Aldrich has pushed the XVI Amendment through congress. Without the power to tax the people directly, and bypass the states, the Federal Reserve Bill would be far less useful to those who wanted to drive American’s deeper and deeper into debt and servitude of the big bankers, and their interests.

One year after the passage of the Federal Reserve Bill, congressman Lindbergh explained how the Fed created what we have come to call the business cycle and how they use it to manipulate business and property ownership, and to the benefit of the bankers. “To cause high prices, all the Federal Reserve Board will do will be to lower the rediscount rate, producing an expansion of credit and a rising stock market, then when businessmen are adjusted to these conditions, it can check prosperity in

mid-career by arbitrarily raising the rate of interest. It can cause the pendulum of a rising and falling market to swing gently back and forth by slight changes in the discount rate, or cause violent fluctuations by a greater rate variation, and in either case it will possess inside information as to financial conditions and advance knowledge of the coming change, either up or down. This is the strangest, most dangerous advantage ever placed in the hands of a special privilege class by any Government that ever existed. The system is private, conducted for the sole purpose of obtaining the greatest possible profits from the use of other people's money. They know in advance when to create panics to their advantage. They also know when to stop panic. Inflation and deflation work equally well for them when they control finance. Already the federal banks have cornered the gold and gold certificates." Congressman Lindberg was correct on all point, however, he hadn't realized that most European nations had already fallen prey to bankers decades, or centuries earlier. Congressman Lindbergh was not the only outspoken critic of the Fed. Congressman Louis McFadden the chairman of the House Banking and Currency Committee from 1920-1931 remarked, "The Federal Reserve Act brought about a super-state controlled by international bankers and international industrialists acting together to enslave the world for their own pleasure." Rep. Louis McFadden (D-PA). McFadden was well aware of the international bankers role in the formation, manipulation and control of America's wealth and the newly formed private central bank, the Federal Reserve. Another chairman of the House Banking and Currency Committee in the 1960's Wright Patman from Texas stated, "In the United States today we have in effect two governments. We have the duly constituted Government. Then we have an independent, uncontrolled and uncoordinated government in the Federal Reserve System, operating the money powers which are reserved to Congress by the Constitution." Even the inventor of electric light, Thomas Edison joined the fray in criticizing the formation of the Federal Reserve. "If our nation can issue a dollar bond, it can issue a dollar bill. The element that makes the bond good, makes the bill good also. The difference between the bond and the bill is the bond lets money brokers collect twice the amount of the bond and an additional 20%, where as the currency pays nobody but those who contribute directly in some useful way. It is absurd to say our country can issue 30 million in bonds and not 30 million in currency. Both are promises to pay, but one promise fattens the usurers and the other helps the people."

Three years after the passage of the Federal Reserve Act, even the bankers puppet president Woodrow Wilson began to have second thoughts about his role in the scheme. “We have become to be one of the worst ruled, one of the most completely controlled governments in the civilized world – no longer a government of free opinion, no longer a government by, a vote of majority, but a government by the opinion and duress of a small group of dominant men. Some of the biggest men in the United States, in the field of commerce and manufacture, are afraid of something. They know that there is a power somewhere so organized, so subtle, so watchful, so interlocked, so complete, so pervasive, that they had better not speak above their breath when they speak in condemnation of it.” Before his death in 1924, president Wilson realized the full extent of the damage he had done to the nation when he confessed, “I have unwittingly ruined my government.”

So, finally the money changers, the bankers that profit by manipulating the amount of money in circulation, had their privately owned central bank installed, once again in America. The major newspapers, which they also owned hailed the passage of the Federal Reserve Act as a money system that could be scientifically prevented. The real fact is that depressions, and recessions could now be scientifically created.

XXII. World War I: Power To Wage War and Profit From It.

WWI photo. Bankers fund both sides of a war and reap huge profits as a result.

Power was now centralized to a large extent on a global scale. Now it was time for a war. A large, costly and destructive war. The first world war. To the central bankers, the political issues of war don’t matter nearly as much as much as the profit potential that arise, and nothing creates debt as much as warfare.

England was the perfect debt generating model of that time. During a one-hundred and nineteen years between the founding of the Bank of England, and Napoleon’s defeat at Waterloo, England had been at war for 56 years, and much of the remaining time the country had been preparing for war.

During World War I the German Rothschild’s loaned money to the Germans. The British Rothschild’s loaned money to the British, and the French Rothschild’s loaned

money to France. In the U.S., J.P. Morgan was the sales agent for the war material to both the British and the French. In fact, six months into the war, Morgan became the largest consumer on earth, spending 10 million dollars a day. His offices at 23 Wall Street were mobbed by brokers and salesmen trying to cut a deal. Many other New York bankers made a fortune on the war as well. President Wilson appointed Bernard Baruch to head the wars industry board. According to historian James Perloff, both Baruch and the Rockefellers profited by 200 million dollars during the war. But, profits were not the only motive, there was also revenge. They money changers never forgave the Czar for his support of Lincoln during the Civil War. Also, Russia was the last major European nation to refuse to give into the privately owned central banking scheme. Three years after WWI started, the banks money toppled the Russian Czar and installed communism. Jacob Schiff of Kuhn, Lobe and Company bragged from his deathbed that he had spent 20 million dollars toward the defeat of the Czar.

Money was funneled from England to support the revolution. The question begs, why would some of the world's richest men financially back communism, the system that was openly vowing to destroy the so-called capitalism that had made them all wealthy? Author Gary Allen wrote, "If one understands that socialism is not a share-the-wealth program, but is in reality a method to consolidate and control the wealth, then the seeming paradox of super-rich men promoting socialism becomes no paradox at all. Instead, it becomes logical, even the perfect tool of power-seeking megalomaniacs. Communism, or more accurately, socialism, is not a movement of the downtrodden masses, but of the economic elite."

W. Cleon Skousen, "Power from any source tends to create an appetite for additional power, If was almost inevitable that the super-rich would one day aspire to control not only their own wealth, but the wealth of the whole world. To achieve this, they were perfectly willing to feed the ambitions of the power-hungry political conspirators who were committed to the overthrow of all existing governments and the establishments of a central world-wide dictatorship."

To keep these powerful dictators in check, the bankers would contract the money supply, or finance their oppositions if they got out of control. Lennon understood that, although he was the absolute dictator, of the new Soviet Union, he was not the one pulling the financial strings. Vladimir Lenin stated, "The state does not function as we

desired. The car does not obey. A man is at the wheel and seems to lead it, but the car does not drive in the desired direction. It moves as another force wishes." Who was behind it? Representative Louis T. McFadden explained it this way, "The course of Russian history has, indeed, been greatly affected by the operations of international bankers. The Soviet Government has been given United States Treasury funds by the Federal Reserve Board acting through Chase Bank. England has drawn money from us through the Federal Reserve banks and has re-lent it at high rates of interest to the Soviet Government. The Dnieperstory Dam was built with funds unlawfully taken from the United States Treasury by the corrupt and dishonest Federal Reserve Board and the Federal Reserve banks." In other words, the Feds and the heads of the Bank of England at the behest of the international bankers that controlled them were creating a monster. One that would fuel seven decades of communist revolution, warfare and death.

In 1992, the New York Times reported that Russian president Boris Yeltzin was upset that most of the incoming foreign aid was being siphoned off by quote, "Straight back into the coffers of western banks in debt service."

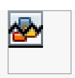
Nobody would claim that a war as large as World War I would have a single cause. Wars are complex, having many causative factors. However, it would be equally as foolish to ignore as a primary cause of the war, those that would profit the most from the war. The role of the money changers is not a wild conspiracy theory. They had the clearest motive to start the world war, a short-term profit motivating factor and a long-range goal of advancing a totalitarian government, with the money changers maintaining financial clout to control whatever politician might emerge as the leader.

XXIII. The Great Depression.

The Great Depression: America, the world's highest standard of living.

Shortly after World War I, the overall political agenda of the money changers began to become clear. Now that they controlled national economies individually, the next step was the ultimate form of consolidation – world government. The new world government proposal was given top priority at the Paris Peace Conference after WWI. It was called the League of Nations, but much to the surprise of Paul Warburg and

Bernard Baruch, who attended the conference with President Wilson, the world was not yet ready to dissolve national boundaries. Nationalism still beat strong in the human breast. To the humiliation of President Wilson, the U.S. Congress would not ratify the league, despite the fact that it had been ratified by many other nations. Without the money flowing from the U.S. Treasury, the league died. After WWI, the American people grew tired of the international policies of Wilson, and the presidential election of the 1920’s, Warren Harding won a landslide victory with over 60 percent of the nations vote. Harding was a strident foe of both the Bolshevism, and the League of Nations. His election led to an unprecedented era of prosperity. Under the next eight years under the presidency of Coolidge and Harding the huge federal debt that had built up during WWI was cut by 38%, down to 16 billion dollars, the greatest percentage drop in U.S. history. During the election of 1920, Harding and Calvin Coolidge ran against James Cox, the governor of Ohio, and the little known Franklin D. Roosevelt, who had previously risen to no higher post than President Wilson’s assistant secretary of the Navy. After his inauguration, Harding moved quickly to formally kill the League of Nations, and to reduce taxes, while raising tariffs to record heights. This was a revenue policy that most of the founding fathers would certainly have approved.



Warren G. Harding, 29th President of the U.S.

During his second year in office, Harding took ill during a train trip west, and suddenly died. Although, no autopsy had ever been performed, the cause was said to be either pneumonia, or food poisoning. When Coolidge took over he continued Harding’s domestic policy, of high tariffs on imports, while cutting income taxes. As a result, the economy grew at such a rate, that net economy still increased. To the bankers, this had to be stopped. So, just as they had done in the past, it was time for the bankers to crash the economy.

Within minutes of Warren G. Harding’s death at either 7:10, 7:20, or 7:30 p.m. on August 2, 1923, rumors began to circulate. No one present at his demise could give the correct time of death. No one seemed to be sure who was on hand in the San Francisco hotel room when he breathed his last. Most of all, the four physicians who had been caring for Harding for the previous week could not agree on the cause of

death. It had something to do with his heart. On the other hand, perhaps it was a stroke. Alternatively, it could have been both, exacerbated by the ptomaine poisoning that he may or may not have experienced a few days earlier in Vancouver. Despite the confusion over the time of death, surely an autopsy would resolve the uncertainty about what killed Warren G. Harding.

The Federal Reserve began to flood the country with money and increased the supply by 62% during these years. This is why this time period was known as the roaring 20’s. Before his death in 1919, former president Theodore Roosevelt warned the American people what was going on, as reported in the March 27th, 1922 edition of the New York Times, Roosevelt said, “These international bankers and Rockefeller-Standard Oil interests control the majority of newspapers and the columns of these papers to club into submission or drive out of public office officials who refuse to do the bidding of the powerful corrupt cliques which compose the invisible government.” The day before this article was printed, the mayor of New York quoted Roosevelt and blasted those as he saw taking control of America, its machinery and its press. “The warning of Theodore Roosevelt has much timeliness today, for the real menace of our republic is the invisible government which like a giant octopus sprawls its slimy length over city, state, and nation. It seized in its long and powerful tentacles our executive officers, our legislative bodies, our schools, our courts, our newspapers, and every agency created for the public protection. To depart from mere generalizations, let me say that at the head of this octopus are the Rockefeller-Standard Oil interest and a small group of powerful banking houses generally referred to as the international bankers. The little coterie of powerful international bankers virtually run the United States government for their own selfish purposes. They practically control both parties, write political platforms, make catspaws of party leaders, use the leading men of private organizations, and resort to every device to place in nomination for high public office only such candidates as will be amenable to the dictates of corrupt big business. These international bankers and Rockefeller-Standard Oil interests control the majority of the newspapers and magazines in this country.” John Hylan, Mayor of New York. New York Times, March 26, 1922.

Why did nobody listen to these staunch warnings and demand Congress to reverse its 1913 passage of the Federal Reserve Act? Because it was the 1920’s and the money changers had flooded the market with money, and the economy was showing

a steady flow of increase in the markets. The fact is, in times of economic prosperity, nobody wants to worry about economic issues. But, there was a dark side to all of this prosperity. Businesses had expanded and were strapped with credit. Speculating of the booming stock market became rampant. The outlook on the market was excellent, but it was a house built on sand. When all was ready, in April of 1929, Paul Warburg the father of the Federal Reserve sent out a secret advisory, warning his friends that an economic collapse was imminent and a nationwide depression was certain. In August of 1929, the Fed began its ploy in tightening the money supply. It is not a coincidence that the biographies of all the Wall Street giants of that era, J.D. Rockefeller, J.P. Morgan, Bernard Baruch, Joseph Kennedy, all marveled that they got out of the stock market just prior to its crash, and put all their assets in cash, or gold.

On October 29th 1929, the big New York bankers called in their 24 hour broker call loans. This meant that both stockbrokers and customers had to dump their stocks on the market to cover their loans, no matter what price they had to sell them for. As a result, the market tumbled and that day was known as Black Thursday. At the height of the selling frenzy, Bernard Baruch brought Winston Churchill in to the visitors gallery at the New York Stock Exchange to witness the panic, and to impress him with Baruch's power over the events transpiring down over the floor. Congressman Louis McFadden chairman over the House Banking and Currency Committee, from 1920 until 1931, knew who to blame, he accused the Fed and the international bankers of orchestrating the crash. "It was not accidental. It was a carefully contrived occurrence. The international bankers sought to bring about a condition of despair here so that they might emerge as rulers of us all." McFadden openly accused the bankers of causing the crash in order to steal America's gold. In February of 1931, right in the middle of the depression he stated, "I think it can hardly be disputed that the statesman and financiers of Europe are ready to take almost any meant to reacquire rapidly the gold stock which Europe lost to America as the result of World War I." Curtis B. Dall, a broker for the NYSE was on the floor the day of the crash, in his 1970 book, Roosevelt, My Exploited Father In Law, he explained that the crash was triggered by the planned sudden shortage of call money in the New York money market. "Actually, it was the calculated shearing of the public by the World-Money powers triggered by the planned sudden shortage of call money in the New York Money Market."

Starving man during America’s Great Depression era.

Within a few weeks, 3 billion dollars of wealth seemed to simply vanish. Within a year 40 billion had been lost. Did it really disappear, or did it merely consolidate in fewer hands? Joseph P. Kennedy’s worth grew from 4 million dollars in 1929 to over 100 million dollars by 1935. What did the Federal Reserve do? Instead of moving to help the economy out, by quickly lowering interest rates, to stimulate the economy, the Fed continued to brutally contract the money supply further, which deepened the depression. Between 1929, and 1933 the Fed reduced the money supply by additional 33%. Although most Americans had never heard the Fed was the cause of the depression. This is well-known among the top economists. Milton Friedman, the Nobel Prize winning economist, now of Stanford University said the same thing during a radio interview in 1996. “The Federal Reserve definitely caused the Great depression by contracting the amount of currency in circulation by one-third from 1929 to 1933.”

The money lost during the depression had not just vanished, it had simply redistributed into the hands of the people who had gotten out of the market, just prior to the crash, and had purchased gold, which is always a safe place to put money right before a depression. America’s money also went overseas, as president Hoover was attempting to rescue banks and prop up businesses, with millions of American’s starving as the depression deepened, millions of dollars were being spent to rebuild Germany from damages sustained during World War One. Eight years before Hitler would invade Poland, Rep. Louis McFadden would warn congress, that American’s were paying for Hitler’s rise to power. “After WWI, Germany fell into the hands of the German international bankers. Those bankers bought her and they now own her, lock, stock, and barrel. They have purchased her industries, they have mortgages on her soil, they control her productions, they control all her public utilities. The international German bankers have subsidized the present Government of Germany and they have also supplied every dollar of the money Adolph Hitler had used in his lavish campaign to build up a threat to the government of Bruening. When Bruening fails to obey the orders of the German International Bankers, Hitler is brought forth to scare the Germans into submission. Through the Federal Reserve Board over 30 billions of American money has been pumped into Germany. You have all heard of the spending that has taken place in Germany, modernistic dwellings, her great planetariums, her gymnasiums, her swimming pools, her find public highways,

her perfect factories. All this was done on our money. All this was given to Germany through the Federal Reserve Board. The Federal Reserve has pumped so many billions into Germany that they dare not name the total.”

In his last year in office Hoover put forth a desperate plan to bail out the failing banks, but he needed support from the Democratic congress, and he wasn’t about to get it. That same year Franklin D. Roosevelt was swept into office during the 1932 presidential election. Once Roosevelt was in office, sweeping emergency banking measures were announced. Then and only then did the Fed begin to expand money into the economy and to the starving American people.

XXIV. FDR and The Theft of America’s Gold.

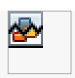
Franklin Delano Roosevelt, 32nd President of the U.S.

Franklin Delano Roosevelt has been called an American hero. In reality he was a New York banker, and had conspired with the FED to outlaw, and confiscate all gold that was privately held. The guise was to prop up the American economy. The result was a scheme that would further impoverish the American people.

Flier of the Gold Confiscation Act of 1933.

At first Roosevelt railed against the money changers as being the cause of the depression. FDR’s inaugural address included the following statement, “Practices of the unscrupulous money changers stand indicted in the court of public opinion, rejected by the hearts and minds of men. The money changers have fled from their high seats in the temple of our civilization.” FDR, March 4th, 1933. Two days later Roosevelt declared a bank holiday, closing all banks. Later that same year he outlawed private ownership of all gold bullion and all gold coins, with the exception of rare coins. Most of the coins that remained in the hands of the Americans were in the form of gold coin.

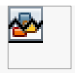
This new decree was, in effect a confiscation of private, and personal assets. Those that did not comply, risked as many as ten years in federal prison, and a 10,000 dollar fine, the equivalent of more than a 100,000 fine today. Across the small towns of America, many people didn't trust Roosevelt's order. Many people were torn in keeping their hard-earned wealth, and obeying the government. Those that did turn in their gold were paid the official price for it, which was 20.66 USD per ounce. So unpopular was the confiscation order that nobody in government would take credit for it. No congressman took credit for the bill. At the signing ceremony President Roosevelt made it clear to all present that he was not the author of the bill, and had not even read it. Even the secretary of the treasury said he had never read the bill either, however the secretary was quoted as saying, "It's what the experts wanted." Roosevelt convinced the public to give up their gold by stating that pooling America's resources were necessary to get the nation out of the depression. With great fanfare he ordered a new bullion depository, that would hold the mountain of gold the U.S. government was illegally confiscating. By 1936, the U.S. bullion depository at Fort Knox was completed and in January of 1937, the gold began to flow into it. The rip off of all ages was about to proceed. Once all the gold had been turned in, the official price of gold was suddenly raised to 35 dollars an ounce. But only foreigners could sell their gold at the new high price. The money changers that had heeded Warburg's warning, and gotten out of the crash just before it bottomed out, purchase gold at 20.66 per ounce, then shipped it to London, and could sell back to the government for nearly double the amount it was purchased for, while the average American who had turned their gold in – starved.



Fort Knox, Kentucky as it stands today.

When the gold began arriving at Fort Knox on January 13th, 1937, there was unprecedented security, while thousands of official guests watched the arrival of a nine car train from Philadelphia. The train was guarded by armed soldiers, postal inspectors, secret service men and guards from the U.S. mint. It was all great theater. America's gold supply from across the land had been pulled, supposedly for the benefit of the American people. It was supposed to be stored at Fort Know, but all that security would soon be breached by the government itself.

Now the stage was set for a really big war. A war that would pile up debt like the world had never seen before. The war spending rate was thirty times higher than the war spending of World War I. In fact, the American taxpayer paid 55% of the total allied expense of the war. But, just as important, each nation that was involved in World War II greatly multiplied their debt. In the U.S., federal debt went from 43 billion in 1940, up to 257 billion in 1950, an increase of 598%. Between 1940 and 1950, Japanese debt swelled 1348%, French debt grew 583%, Canadian debt soared 417%.



WWII. Children war casualties as a result of bankers greed for more war related profits.

After the war, the world was divided into two economic camps. Communist command economy on the one hand, versus monopoly capitalist on the other. Both sides were set to fight it out in one perpetual and highly profitable arms race. It was finally time for the central bankers to embark on their three-step plan to centralize the economic system of the entire world and finally bring about their global government or their new world order.

Step One. Central bank domination of national economies worldwide.
Step Two. Centralize regional economies to organizations such as the European Monetary Union, and regional trade unions such as NAFTA.
Step Three. Centralize the world economy through a World Central Bank, and do away with all international tariffs and treaties like GATT.

Step One was completed long ago. Steps two and three are already well into the advanced stage of completion. The largest holder of gold today is the IMF. It and other centralized banks now control more than 2/3 of the world gold supply, giving them the ability to manipulate the world’s gold supply.

What happened to all that gold that was stored at Fort Knox? At the end of World War II, Fort Knox vaults contained more than 700 million ounces of gold, about 70% of all the gold in the world. Most Americans still believe that the gold is still stored at Fort Knox. How much gold remains? Nobody knows. Despite the fact that federal law

requires an annual physical audit of all the gold held at Fort Knox, the U.S. treasury consistently refuses to conduct one. The truth is there has been no reliable audit of the gold held at Fort Knox since President Eisenhower ordered one in 1953. So, where did all that gold go? Over the years it was sold off to European interests at the price of 35.00 an ounce. This was done during a time when it was illegal for any American to purchase, any of the gold at Fort Knox. In fact, in the late 1970's, the family of the Firestone Corporation set up a string of dummy corporations to purchase Fort Knox gold and keep it in Swiss banks. However, they were successfully caught and prosecuted.

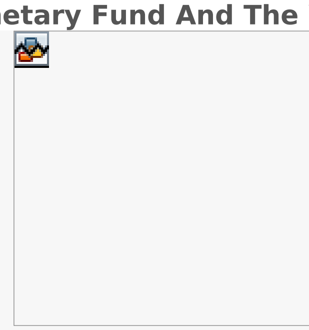
By 1971, all of the nations pure gold that was held at Fort Knox had been secretly removed and back to London. Once the gold was gone from Fort Knox, President Nixon closed the gold window, by repealing President Roosevelt's Gold Act of 1934, finally making it legal once again for Americans to purchase gold. As a result, gold prices began to immediately soar. Nine years later gold prices reached 880.00 USD per ounce, 25 times what the gold in Fort Knox was sold for. The largest fortune in the history of the world was stolen, with not one government official ever blowing the whistle. So, how did the Fort Knox gold robbery get out? It all started in a New York periodical in 1974. The article charged the Rockefeller family was manipulating the federal reserve to sell off Fort Knox gold at bargain basement prices to anonymous European speculators. Three days later the anonymous source of the story, Louise Auchincloss Boyer mysteriously fell to her death from the 10th floor of her apartment in New York. How could Ms. Boyer have known about the greatest crime perpetrated against the American people? Louise Boyer was the long time personal secretary of Nelson Rockefeller. For the next fourteen years, Ed Durell, a wealthy Ohio industrialist devoted himself to the truth of the whereabouts of the gold of Fort Knox. Ed Durrell went on a one man campaign sending letters to a thousand government officials demanding to know what gold remained at Fort Knox. Edith Roosevelt, the grand-daughter of President Roosevelt wrote, "Allegations of missing gold from our Fort Knox vaults are being widely discusses in European financial circles. But what is puzzling is that the Administration is not hastening to demonstrate conclusively that there is no cause for concern over our gold treasure – if indeed it is in a position to do so." Unfortunately, Ed Durrell never did accomplish his primary goal, which was a full audit of the gold reserve at Fort Knox. The fact is, this gold belonged to the American people, not to the Federal Reserve or their foreign interests. One thing for certain is the government could blow all of this speculation away in a few days of auditing in

the public light. However, the government has chosen not to do so. One could only conclude the government is afraid to learn what such an audit would reveal. What is the government so afraid of? When Ronald Reagan took office in 1981, his conservative friends urged him to study the feasibility of returning to a gold standard, as the only way to curb government spending. President Reagan appointed a Gold Commission to study the situation and to report back to Congress. What the Gold Commission reported back to Reagan in 1982, was the following shocking revelation concerning gold.

Texas Rep. Ron Paul, suggesting America’s reserves may not be as robust as officials claim, is calling for an independent audit of the U.S. gold held at Fort Knox and other facilities. The Republican congressman known for his fierce opposition to virtually everything the Federal Reserve does says the public deserves to know what’s behind the fortified walls of America’s gold vaults — particularly in case gold is ever reintroduced as a basis for U.S. currency. “It’d be nice for the American people to know whether or not the gold is there,” Paul told Fox Business Network. And if it is all there, he said, the public should know whether any of it has been obligated.

However, we can be assured that the U.S. treasury owns no gold at all. All the gold that was confiscated and stored at Fort Knox has now been transferred to the Federal Reserve. Never before has so much money been stolen from the hands of the general public, and placed in the hands of private investors.

XXV. The International Monetary Fund And The World Bank.



The International Monetary Fund created at the Bretton Woods conference in 1944.

The World Bank created at the Bretten Woods conference in 1944.

After World War I, under the guise of peace making, international bankers devised a plan to consolidate power even further. Claiming only an international government would stem the tide of world wars the money changers pushed for a world government that stood on three legs. One central bank to be called the Bank of International Settlements. A world judiciary to be called the World Court located in the Hague of the Netherlands, and a world executive and legislature to be called the League of Nations. President Clinton’s mentor Georgetown Historian Carroll Quigley wrote in his 1966 book Tragedy and Hope, “The powers of financial capitalism had a far-reaching plan, nothing less than to create a world system of financial control in private hands able to dominate the political system of each country and the economy of the world as a whole. This system was to be controlled in a feudalist fashion by the central banks of the world acting in concert, by secret agreements arrived at in frequent meetings and conferences. The apex of the system was to be the Bank for International Settlements in Basel, Switzerland, a private bank owned and controlled by the world’s central banks which were themselves private corporations. Each central bank sought to dominate its government by its ability to control treasury loans, to manipulate foreign exchanges, to influence the level of economic activity in the country, and to influence cooperative politicians by subsequent economic rewards in the business world.”

Despite intense pressure from the international bankers and the press they controlled, a handful of senators, led by Henry Cabot Lodge, kept the U.S. out of these schemes. Without U.S. participation the system was doomed. Incredibly, even though the U.S. rejected the world central bank, the New York Federal Reserve ignored its government and arrogantly sent representatives to Switzerland to participate in the central bankers meetings, right up until 1994, when the U.S. was finally and officially dragged into it.

The bankers resorted to the old formula, another war to wear down the resistance to one world government while reaping handsome profits. To this end, Wall Street helped resurrect Germany, through the Thisen banks that were closely connected to the Harriman interest in New York, just as the Chase Bank had assisted in the financing of the Bolshevik Revolution during World War I. Chase Bank was controlled by the Rockefeller family. Subsequently, it was merged with Warburg's Manhattan Bank to form the Chase-Manhattan Bank. Then Chase-Manhattan merged with Chemical Bank of New York, making it the largest Wall Street bank during its time. Their strategy was working, even before World War II was over, the world government was back on track. In 1944, in Bretton Woods, New Hampshire, the International Monetary Fund, and the World Bank were approved with full U.S. participation. The Second League of Nations, renamed the United Nations was approved in 1945. Soon a new international court system was functioning as well. All effective opposition to these newly formed organizations prior to the war, had subsequently evaporated during the time of war, which was the international bankers plan. These organizations were repeating on a world scale, what the National Banking Act of 1864, and the Federal Reserve Act of 1913 had established in the U.S. They created a banking cartel composed of all the world's central banks, which gradually assumed the power to dictate credit policies to the banks of all the nations.

Just as the Federal Reserve Act authorized the creation of a new national fiat currency called federal reserve notes, the International Monetary Fund has been given the authority to issue a world fiat money called special drawing rights. The IMF has created an excess of 30 billion dollars of special drawing rights. Member nations are being pressured to make their currency fully exchangeable for SDR's. In 1968 Congress approved laws authorizing the feds to accept SDR's as reserves in the U.S., and to issue federal reserve notes in exchange for SDR's. This means in the U.S. SDR's are already a part of the nation's lawful money. SDR's are already partially backed by gold as well, and with 2/3 of all the world's gold in the hands of the international bankers, the money changers can go about structuring the world's economic future in any way they deem most profitable. Just like the Fed is controlled by its board of governors the IMF is also controlled by its board of governors, which are either the heads of the difference central banks or the heads of the various national treasury departments dominated by their central banks. Voting power in the IMF gives the U.S. Federal Reserve and England's Bank of England effective control. Just as the Fed controls the amount of money in the U.S., the BIS, IMF and the World

Bank control the money supply for the world. So, the repetition of the old goldsmith's fraud, replicated on the national scale, with central banks like the Fed, and on the international scale, by the three arms of the international central bank. Regulation put into effect in 1988, by the BIS, required the world bankers to raise their capital to 8% reserve of liability by 1992. This increase of capital requirement put an upper limit to the fractional reserve lending practices similar to the way cash reserve requirements do. What does this seemingly insignificant regulation that was made in a Swiss city mean to the world? It means that banks cannot loan more and more money to buy more and more time before the next depression, as a maximum loan ratio is now set. It means those nations with the lowest bank reserves in their systems have already felt the terrible effect of this monetary contraction as their banks scramble to raise money to increase their reserves to 8%. To raise the money, the nations had to sell stocks, which depressed those nation's stock markets, and began the depressions first in their countries.

In 1988, Japan had one of the lowest capital reserve requirements, was the most effected by the regulation and suffered a financial crash that began almost immediately. This requirement wiped out nearly 50% of the value of its stock market since 1990, and 60% of the value of its commercial real estate. The Bank of Japan had lowered its interest rate to one half of one percent, practically giving away money to resurrect the economy, but still the depression worsens.

Due to the 20 billion dollar bailout by the U.S. to Mexico, the financial collapse of that nation is already felt in the U.S. Despite the bailout the economy continues to be a disaster. One huge debt is being rolled over as new loans are being made to simply cover the interests Mexico must pay on the old loans. In the south of Mexico every spare peso had been siphoned out of the nation to make interest payments. It is important to note that radical power exchanges are taking place, as nations are subservient to a super powerful world central bank, controlled by a handful of the world's richest bankers.

As the IMF creates more and more SDR's by the stroke of a pen on IMF ledgers, more and more nations borrow to pay the interest on their mounting debt. Eventually, the nations fall under complete control of the faceless bureaucrats of the world central bank. As the world-wide depression worsen and spreads, this gives the world banks the power of economic life and death of a nations people, as it alone will decide what

nations will be permitted to receive further loans of the SDR's and which nations will starve.

The World Bank. Despite it's claim is a major cause of economic depression and global starvation.

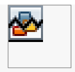
Despite all the rhetoric about development and alleviation of poverty the result is a steady transfer of wealth from the debtor nations to the money changers central banks which control the IMF and the World Bank.

Starving children are more often than not the result of the IMF and the World Banks monetary policy to third world nations.

In 1992, the third world debtor nations, which borrowed from the World Bank, paid 198 million dollars more to the central bank of the developed nations, for world bank funded purposes, than they received from the world bank. All this increased these nations permanent debt in exchange for temporary relief of poverty caused by prior borrowing. All of these payments have already exceeded the amount of the new loans. By 1992, Africans external debt had reached 290 billion dollars, 2.5 times greater than in 1980 resulting in skyrocketing infant mortality rates, unemployment, deterioration of schools, housing and the general health of the people. The entire world is already facing the suffering that is already destroying the third world, and Japan's economy, all for the benefit of the money changers. A prominent Brazilian politician stated, "The third world war has already started. It is a silent war. Not, for that reason, and less sinister. The war is tearing down Brazil, Latin America, and practically all the Third World. Instead of soldiers dying, there are children. It is a war over the Third World debt, one which has as its main weapon, interest, a weapon more deadly than the atom bomb, more shattering than a laser beam."

XXVI. Finale.

Although it would be absurd to ignore the pivotal role played by influential families such as the Rothschild’s, the Walberg’s, the Schiff’s, the Morgan’s and the Rockefeller’s, in any review of the history of central banking and fractional banking, keep in mind, by now central banks and the large commercial banks are up to three centuries old and deeply entrenched in the economic life of many nations.



Founder of the National Education Association, J.D. Rockefeller said, “I don’t want a nation of thinkers, I want a nation of workers.”

These banks are no longer dependent on clever individuals, such as Nathan Rothschild. Years ago, the question of ownership was important but no longer. For example, both the Bank of England, and the Bank of France were nationalized after World War II, and nothing changed. Nothing at all. They endure and continue to grow, now protected by numerous laws, paid politicians and mortgaged media, untouched by the changing of generations. Three centuries have given them an aura of respectability. The old school tie is now worn by the 6th generation son, who has been raised in a system that he may never question as he is named to serve on the boards of countless philanthropic organizations.

To focus attention today on individuals or families, or to attempt to sort out the current holders of power serves little useful purpose and would be a distraction from the cure. The problem is far bigger than that. It is the corrupt banking system that was and is being used to consolidate vast wealth into fewer and fewer hands that is our current economic problem. Change the names of the main players now, and the problem will neither go away, nor even miss a beat. Likewise, among the hordes of bureaucrats working in the world bank, central banks and international banks, only a tiny fraction have any idea of what’s really going on. No doubt they would be horrified to learn that their work is contributing to the terrible impoverishment and gradual enslavement of mankind to a few incredibly rich plutocrats.

So really, there is no use in emphasizing the role of individuals anymore. And the problem even transcends the normal spectrum of political right and left. Both communism and socialism, as well as monopoly capitalism, have been used by the money changers. Today, they profit from either side of the new political spectrum.

The big government welfare state on the so-called left-wing, versus the neo-conservative laissez-faire capitalists who want big government totally out of their lives on the right-wing. Either way the bankers win. Monetary reform is the most important political issue facing this nation. With that clarified, lets proceed to the conclusion in the spirit Lincoln declared. “With malice towards none, with charity towards all.”

The most important questions that need to be addressed:

1. What’s going on with America’s economy today?
2. Why is the wealthiest nation in the world buried in massive debt?
3. Why can’t politicians bring the debt crisis under control?

Why are we over our heads in debt? Because we’re laboring under a debt money system that is designed and controlled by private bankers. Now some will argue that the federal reserve system is a quasi governmental agency, but the president appoints only two of the seven members of the federal reserve board of governors every four years, and he appoints them to fourteen years terms, far longer than his own. The senate does confirm those appointments, but the whole truth is that the president wouldn’t dare appoint anyone to that board of whom Wall Street does not approve. Of course this does not preclude the possibility that some honorable men may be appointed to the board of governors, but the fact is that the fed is specifically designed to operate independently of our government, as are nearly all other central banks. Some argue that the Fed promotes monetary stability. We saw the current head of the Bank of England, Eddie George claim that this was the most important role of the central bank. In fact, the Feds record of stabilizing the economy shows it to be a miserable failure in this regard. Within the first 25 years of its existence, the Fed caused 3 major economic downturns, including The Great Depression, and for the last 30 years has shepherded the American economy into a period of unprecedented inflation. Again, this is not some wild conspiracy theory, it’s a well-known fact amongst top economists. As Nobel prize-winning economist Milton Friedman put it, “The stock of money, prices and output was decidedly more unstable after the establishment of the Reserve System than before. The most dramatic period of instability in output was, of course, the period between the two wars, which includes the severe monetary contractions of 1920-21, 1929-33, and 1937-38. No other 20-year period in American history contains as many as three such severe contractions. This evidence persuades me that at least a third of the price rise during

and just after World War I is attributable to the establishment of the Federal Reserve System and that the severity of each of the major contractions is directly attributable to acts of commission and omission by the Reserve authorities. Any system which gives so much power and so much discretion to a few men, so that mistakes, excusable or not, can have such far-reaching effects, is a bad system. It is a bad system to believers in freedom just because it gives a few men such power without any effective check by the body politic – this is the key political argument against an independent central bank. To paraphrase Clemenceau – money is much too serious a matter to be left to the central bankers.” – Milton Friedman.

We must learn from our history before it is too late. Why can’t politicians control the federal debt? Because all of our money is created out of debt. Again it’s a debt money system. Our money is created initially by the purchase of U.S. bonds. The public buys bonds like savings bonds. The banks buy bonds, foreigners buys bonds, and when the Fed wants to create more money in the system, it buys bonds, but pays for them with a simple book-keeping entry which it creates out of nothing. Then this new money, created by the Fed is multiplied by a factor of ten by the banks thanks to the fractional reserve principle. Although the banks don’t create currency, they do create check book money, or deposits by making new loans. They even invest some of this created money. In fact, over 1 trillion dollars of this privately created money has been used to purchased U.S. bonds on the open market which provides the banks with roughly 50 billion dollars in interest, risk free, each year, less the interest they pay to some depositors. In this way, through fractional reserve lending, banks create over 90% of the money, and therefore cause over 90% of our inflation.

What can we do about all this?

Fortunately there is a way to fix the problem fairly easily, speedily and without any serious financial problems. America can get completely out of debt in one to two years by simply paying off these U.S. bonds with debt free U.S. notes, just like Lincoln issued. Of course, that by itself would create tremendous inflation since our currency is presently multiplied by the fractional reserve banking system. But here is the ingenious solution advanced in part by Milton Friedman, to keep the money supply stable, and avoid inflation and deflation while the debt is retired. As the treasury buys up its bonds on the open market with U.S. notes, the reserve requirements of

your home town local bank will be proportionally raised, so the amount of money in circulation remains constant. As those holding bonds are paid off in U.S. notes, they will deposit this money, thus making available the currency then needed by the banks to increase their reserves. Once all the U.S. bonds are replaced with U.S. notes, banks will be at 100% reserve banking instead of the fractional reserve system currently in use.

From this point on the former Fed buildings will only be needed as a central clearing house for checks and as vaults for U.S. notes. The federal reserve act will no longer be necessary and should therefore be repealed. Monetary power can be transferred back to the treasury department. There would be no further creation and contraction of money by banks. By doing it this way, our national debt could be paid off in a single year or so, and the Fed and fractional reserve banking abolished without national bankruptcy, financial collapse, inflation or deflation, or any significant change in the way the average American goes about his business. To the average person, the primary difference would be that for the first time since the Federal Reserve act was passed in 1913, taxes would begin to go down.

The following are the main provisions of a monetary reform act which needs to be passed by congress.

1. Pay off the debt with debt free U.S. notes. As Thomas Edison put it, “If the U.S. can issue a dollar bond, it can issue a dollar bill.” They both rest purely on the faith and credit of the United States government. This amounts to a simple substitution of one type of government obligation for another. One bears interest, the other doesn’t. Federal reserve notes could be used for this as well, but could not be printed after the Fed is abolished as we proposed, so we suggest using U.S. notes instead.
2. Abolish Fractional Reserve Banking. As the debt is paid off, the reserve requirements of all banks and financial institutions would be raised proportionally at the same time to absorb the new U.S. notes which would be deposited and become the banks increased reserves. Towards the end of the first year of the transition period, the remaining liabilities of financial institutions would be assumed or acquired by the U.S. government in a one time operation. In other words, they too, would eventually be paid off with debt free U.S. notes in order to keep the total money supply stable. At the end of the first year or so, all of the national debt would be paid, and we could start enjoying the benefits of full reserve banking. The Fed would be obsolete.
3. Repeal the Federal Reserve Act of 1913, and the National Banking Act of 1864. These acts delegate the money power to a private banking monopoly. They must be repealed, and the money power handed back to the Department of Treasury where they were initially under President Abraham Lincoln. No banker or person in any way affiliated with financial institutions should be allowed to regulate banking. After the first two reforms,

these acts would serve no useful purpose anyway since they relate to a fractional reserve banking system.

4. Withdraw the U.S. from the IMF, the BIS and the World Bank. These institutions like the federal reserve, are designed to further centralize the power of the international bankers over the world's economy and the U.S. must withdraw from them. Their harmless functions such as currency exchange can be accomplished either nationally, or in new organizations limited to those functions.

Such a monetary reform act would guarantee that the amount of money in circulation would stay very stable, causing neither inflation, nor deflation. Remember, for the last three decades, the Fed has doubled the American money supply every ten years. That fact, and fractional reserve banking are the real causes of inflation and the reduction in our buying power, a hidden tax. These and other taxes are the real reasons both parents have to work just to get by. The money supply should increase slowly to keep prices stable, roughly in proportion to population growth, about 3% per year. Not at the whim of a group of bankers meeting in secret. In fact, all future decisions on how much money will be in the American economy must be made based on statistics of population growth and the price level index.

The new monetary regulators and the Treasury Department, perhaps called the Monetary Committee, would have absolutely no discretion in this matter except in time of declared war. This would ensure a steady stable money growth of roughly 3% per year, resulting in stable prices, and no sharp changes in the money supply. To make certain the process is completely open and honest, all deliberations would be public, not secret as meetings of the Feds board of governors are today.

How do we know this will work? Because these steps remove the two major causes of economic instability – The Fed, and fractional reserve banking, and the newest one as well, the BIS, the Bank of International Settlements. But most importantly, the danger of a severe depression would be eliminated. Milton Friedman discusses the single cause of severe economic depressions, "I know of no severe depression, in any country or any time, that was not accompanied by a sharp decline in the stock of money, and equally of no sharp decline in the stock of money that was not accompanied by a severe depression."

Issuing our own currency is not a radical solution. It has been advocated by presidents Jefferson, Madison, Jackson, Van Buren and Lincoln, but it's been used at different times throughout Europe as well. Perhaps the best example is one of the

small islands off the coast of France and the English channel. Called Guernsey, it’s been using debt free money issues to pay for large building projects for nearly 200 years. Guernsey is one of the most successful examples of just how well a debt free money system can work. In 1815 a committee was appointed to investigate how best to finance a new market. The impoverished island could not afford more new taxes, so the states fathers decided to try a revolutionary idea. Issue their own paper money. They were just colorful paper notes, backed by nothing, but the people of this tiny island agreed to accept them and trade with them. To be sure they were circulated widely, they were declared to be good for the payment of taxes. Of course this idea was nothing new. It was exactly what America had done before the American revolution, and there are many other examples throughout the world, but it was new to Guernsey, and it worked miracles. The market is still in use today, and it was built for no debt to the people of the island state. But, what if we follow Guernsey’s example? How would the bankers react to these reforms. Certainly the international bankers cartel will oppose reforms that do away with control of the worlds economies as they have in the past. But it is equally certain that congress has the constitutional authority and responsibility to authorize the issuance of debt free money, U.S. notes and reform the very banking laws it ill-advisedly enacted.

Undoubtedly the bankers will claim that issuing debt free money will cause severe inflation or make other dire predictions, but remember it is fractional reserve banking that is the real cause of over 90% of all inflation, not whether debt free U.S. notes are used to pay for government deficits. In the current system, any spending excesses on the part of congress are turned into more debt bonds, and the 10% purchased by The Fed, are then multiplied many times over by the bankers, causing over 90% of all inflation.

Our fractional reserve and debt based banking system is the problem. We must ignore its inevitable resistance to reform, and remain firm until the cure is complete. As the director of the Bank of England in the 1920’s, Sir Josiah Stamp put it, referring to this modern reserve banking system, “Banking is conceived in iniquity and born in sin. Bankers own the earth. Take it away from them, but leave them the power to create money and control credit, and with the flick of a pen they will create enough money to buy it back again. Take this great power away from the bankers and all great fortunes like mine will disappear, and they ought to disappear, for this would be a better and happier world to live in. But, if you want to continue as the slaves of

bankers, and pay the cost of your own slavery, let them continue to create money and to control credit."

Americans are slowly figuring this out. Today there over 3200 cities and counties that have endorsed the proposal of a non-profit organization called Sovereignty. The Sovereignty movement calls for congress to authorize the Secretary of State to issue 90 billion dollars per year in U.S. notes. Not Federal Reserve notes, nor debt based bonds, to loan money interest free to cities, counties and school districts for needed capital improvement. Remarkably, the Community Bankers Association of Illinois, representing 515 member banks, has endorsed this Sovereignty proposal.

What do the money changers have in store for the world? Remember the infamous words of David Rockefeller, the chairman of the one time largest Wall Street bank Chase-Manhattan, "We are on the verge of a global transformation. All we need is the right major crisis and the nation will accept the New World Order." So, crisis is needed to fulfill their plan. The only question is, when will this crisis occur? Whether or not they decide to cause a crash, or a depression through the relentless increase in taxes, resulting in the loss of hundreds of thousands of jobs being sent over seas thanks to trade agreements such as GATT and NAFTA, the American middle-class is becoming an endangered species. Cheaper labor, including slave labor in China, which Harry Woo has heroically documented, is being used to compete with American labor. In other words money is being consolidated into fewer and fewer hands as never before seen in the history of America, or the world. Without reform the American middle class will soon be extinct, leaving only the very rich few, and the very many impoverished poor, as has already occurred in most of the world. We have been warned of this by congressmen, presidents, industrialist and economists, and religious leaders down through the years.

Pope Leo XIII put it this way, "On the one side there is the party which holds the power because it holds the wealth; which has in its grasp all labor and all trade; which manipulates for its own benefit and its own purposes all the sources of supply, and which is powerfully represented in the councils of State itself. On the other side there is the needy and powerless multitude, sore and suffering. Rapacious usury, which, although more than once condemned by the Church, is nevertheless under a different form but with the same guilt, still practice by avaricious and grasping men,

so that a small number of very rich men have been able to lay upon the masses of the poor yoke little better than slavery itself."

What can we do to protect our families during times of depression?

1. Get out of debt, even if it means lowering ones standard of living.
2. Liquidate ones wealth. In a worse case scenario, one should consider placing their wealth into silver coin. Pre-1965 silver coins are 90% silver. During a depression a single silver dollar may be able to buy groceries for an entire week for one single family.
3. Resist a gold standard, as two-thirds of the world's gold wealth is now concentrated in the World Bank.
4. Be aware of any plan for an international currency, which is nothing more than the international bankers Trojan Horse.
5. Educate your members of congress. It only takes a few educated members to make the other pay attention. Most don't understand the system, and the ones that do are so tightly woven to the thread of the banking industry that they ignore it, not realizing the gravity of their neglect.

Contact your representatives and tell them to abolish the Federal Reserve Act of 1913 abolished and for the U.S. to return to a silver backed monetary standard.

House of Representatives.

U.S. Senators.

Appeal The Federal Reserve Act, Criminal History Of Banking, The WMF: World Monetary Fraud
1 Comment

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